

Washington, Thursday, March 10, 1955

TITLE 5—ADMINISTRATIVE **PERSONNEL**

Chapter I—Civil Service Commission

PART 6-EXCEPTIONS FROM THE COMPETITIVE SERVICE

Effective upon publication in the FED-ERAL REGISTER, paragraph (c) is added to § 6.163 as set out below.

§ 6.163 United States Information Agency. * * *

(c) One Chief of Religious Informa-

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633; E. O. 10440, March 31, 1953, 18 F. R. 1823, 3 CFR, 1953 Supp.)

> United States Civil Serv-ICE COMMISSION,

[SEAL] WM. C. HULL,

Executive Assistant.

JF. R. Doc. 55-2044; Filed, Mar. 9, 1955; 8:51 a. m.]

PART 30-ANNUAL AND SICK LEAVE REGULATIONS

POSITIONS EXCLUDED

1. The following note is added after

NOTE: The officers who have been excluded from coverage of this part under authority of § 202 (c) (1) (B) of the Annual and Sick Leave Act of 1951, as amended (67 Stat. 136, 5 U. S. C. 2061), are listed in Appendix A to this part, pursuant to E. O. 10540, 19 F. R. Section 202 of the act, as amended (65 Stat. 679, 67 Stat. 136, 5 U. S. C. 2061), lists other officers and employees who are specifically excluded from coverage.

2. The following appendix is added:

APPENDIX A-LIST OF OFFICERS EXCLUDED FROM COVERAGE PURSUANT TO SECTION 202 (c) (1) (B) OF THE ANNUAL AND SICK LEAVE ACT OF 1951, AS AMENDED

EXECUTIVE OFFICE OF THE PRESIDENT

1. Assistant Director, Bureau of the Budget, authorized by Title I of the First In-dependent Offices Appropriation Act, 1954 (67 Stat. 298, 299).

DEPARTMENT OF STATE

- 1. Legal Adviser.
- 2. Administrator, Bureau of Security and Consular Affairs.

3.	Commissioner,	Intern	ational	Boun	dary
	Commission-	-United	States,	Alaska	and
	Canada.		-		

- 4. Commissioner, International Boundary and Water Commission—United States and Mexico.
- 5. Commissioner, International Joint Com-
- mission—United States and Canada.

 6. Representative, United States Mission to the United Nations.

 1
- eputy Representative, United States
 Mission to the United Nations." 7. Deputy Representative,

DEPARTMENT OF THE TREASURY

- 1. Treasurer of the United States.
- 2. Assistant Treasurer of the United States.
- 3. General Counsel.
- 4. Director of the Mint (effective January 14, 1955).

DEPARTMENT OF THE ARMY

1. Commissioner, Mississippi River Commis-

DEPARTMENT OF THE INTERIOR

- (a) Office of Territories.
- 1. Governor of Guam. Government Secretary of Guam.
- Governor of American Samoa.
- 4. Secretary of American Samoa. 5. Government Secretary for the Virgin Islands.
- Secretary of the Territory of Alaska.
- Secretary of the Territory of Hawaii.
 High Commissioner of the Trust Territory of the Pacific Islands.
- 9. Deputy High Commissioner of the Trust Territory of the Pacific Islands.

DEPARTMENT OF LABOR

- 1. Solicitor.
 - 2. Director, Women's Bureau.

DEPARTMENT OF COMMERCE

1. General Counsel.

CENTRAL INTELLIGENCE AGENCY

1. Deputy Director.

FEDERAL MEDIATION AND CONCILIATION SERVICE

1. Associate Director.

GENERAL SERVICES ADMINISTRATION

1. Deputy Administrator.

HOUSING AND HOME FINANCE AGENCY

11. Deputy Administrator.

² Except when position is filled by a Federal officer or employee compensated for a position not exempted by or pursuant to section 202 (c) (1) (C) of the Annual and Sick Leave Act of 1951, as amended.

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CFR SUPPLEMENTS

(For use during 1955)

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Title 3, 1954 Supp. (\$1.75) Titles 30-31 (\$1.25) Title 49. Part 165 to end (\$0.60)

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- 1. Chief Commissioner.
- 2. Associate Commissioner.

SMALL BUSINESS ADMINISTRATION

1. Deputy Administrator.

VETERANS ADMINISTRATION

1. Deputy Administrator.

WAR CLAIMS COMMISSION

1. Commissioner.

GOVERNMENT OF THE DISTRICT OF COLUMBIA

- Member, Board of Commissioners.
- 2. Member, Public Utility Commission.

(Sec. 206, 65 Stat. 681; 5 U.S. C. 2065. Interprets or applies sec. 202, 65 Stat. 679, as amended; 5 U. S. C. and Sup. 2061. E. O. 10540, 19 F. R. 3983)

> UNITED STATES CIVIL SERV-ICE COMMISSION,

[SEAL] WM. C. HULL,

Executive Assistant.

[F. R. Doc. 55-2042; Filed, Mar. 9, 1955; 8:51 a. m.l

Chapter III—Foreign and Territorial Compensation

[Dept. Reg. 108.248]

PART 325-ADDITIONAL COMPENSATION IN FOREIGN AREAS

DESIGNATION OF DIFFERENTIAL POSTS

Section 325.11 Designation of differential posts is amended as follows, effective on the dates indicated:

1. Effective as of the beginning of the first pay period following March 12, 1955, paragraph (a) is amended by the deletion of the following post:

San Isidro del General, Costa Rica.

2. Effective as of the beginning of the first pay period following March 12, 1955, paragraph (b) is amended by the deletion of the following posts:

Philippines, all posts except Angeles, Baguio City, Cavite (including Sangley Point), Davao, Manila and Naga City.

3. Effective as of the beginning of the first pay period following January 1, 1955, paragraph (c) is amended by the deletion of the following post:

Budapest, Hungary

4. Effective as of the beginning of the first pay period following March 12, 1955, paragraph (d) is amended by the deletion of the following posts:

Libya, all posts except Barce, Derna, El Aweila, Garian, Misurata, Zavia and Zliten. Mazatlan, Mexico.

Tananarive, Madagascar.

5. Effective as of the beginning of the first pay period following December 18, 1954, paragraph (a) is amended by the addition of the following post:

Montero, Bolivia.

6. Effective as of the beginning of the first pay period following March 12, 1955, paragraph (a) is amended by the addition of the following post:

Hagan, Philippines.

7. Effective as of the beginning of the first pay period following March 12, 1955,

paragraph (b) is amended by the addition of the following posts:

Philippines, all posts except Angeles, Baguio City, Cavite (including Sangley Point), Davao, Hagan, Manila and Naga City.

8. Effective as of the beginning of the first pay period following March 12, 1955, paragraph (d) is amended by the addition of the following posts:

Chambley, France. Dreux, France. Etain, France. Evreux, France.

Ingrandes, France.
'Libya, all posts except Barce, Derna, El Awella, Garian, Misurata, Tripoli, Wheelus Field, Zavia and Zliten.

(Sec. 102, Part I, E. O. 10000, 13 F. R. 5453, 3 CFR, 1948 Supp.)

For the Secretary of State.

LOY W. HENDERSON, Deputy Under Secretary for Administration.

MARCH 3, 1955.

[F. R. Doc. 55-2035; Filed, Mar. 9, 1955; 8:49 a. m.]

TITLE 7-AGRICULTURE

Chapter IX-Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

PART 980-MILK IN THE TOPEKA, KANSAS, MARKETING AREA

ORDER AMENDING ORDER, AS AMENDED

980.0

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AUTHORITY: §§ 980.1 to 980.96 issued under sec. 5, 49 Stat. 753, as amended; 7 U. S. C. 608c.

§ 980.0 Findings and determinations. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection. with the issuance of the aforesaid order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except msofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) Findings upon the basis of the hearing record. Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900) a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Topeka, Kansas, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended, and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supplies of and demand for milk in the said marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has

been held.

- (b) Additional findings. It is necessary in the public interest, to make this order amending the order, as amended. effective not later than April 1, 1955. Any delay beyond April 1, 1955, in the effective date of this order amending the order, as amended, would tend to disrupt the orderly marketing of milk for the Topeka, Kansas area. The provi-sions of the said amendatory order are known to handlers, the public hearing having been held July 23, 1954, the recommended decision having been issued January 17, 1955, and the final decision having been issued February 18, 1955. Therefore, reasonable time has been afforded persons affected to prepare for its effective date. In view of the foregoing, it is hereby found and determined that good cause exists for making this order amending the order, as amended, effective April 1, 1955, and that it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER (sec. 4 (c) Administrative Procedure Act, 5 U.S. C. 1001 et seq.)
- (c) Determinations. It is hereby determined that handlers (excluding cooperative associations of producers who are not engaged in processing, distributing or shipping milk covered by this order, as amended, which is marketed within the Topeka, Kansas, marketing area) of more than 50 percent of the milk which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:
- (1) The refusal or failure of such handlers to sign said proposed marketing agreement tends to prevent the effectuation of the declared policy of the act:
- (2) The issuance of the order amending the order, as amended, is the only practical means, pursuant to the de-clared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area: and
- (3) The issuance of this order amending the order, as amended, is approved or favored by at least two-thirds of the producers who, during the determined representative period. (December 1954).

were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered that on and after the effective date hereof the handling of milk in the Topeka, Kansas, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows:

DEFINITIONS

- § 980.1 Act. "Act" means Public Act No. 10, 73d Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act. of 1937, as amended (7 U.S. C. 601 et seq.)
- § 980.2 Secretary. "Secretary" means the Secretary of Agriculture of the United States or any officer or employee of the United States Department of Agriculture authorized to exercise the powers and to perform the duties of the Secretary of Agriculture of the United States.
- § 980.3 Person. "Person" means any individual, partnership, corporation, association, or any other business unit.
- § 980.4 Cooperative association. "Cooperative association" means any cooperative association of producers which the Secretary determines:
- (a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act;"
- (b) To have its entire activities under the control of its members: and
- (c) To have and to be exercising full authority in the sale of milk of its members.
- § 980.5 Topeka, Kansas, marketing "Topeka, Kansas, marketing hereinafter called "marketing area. area" heremafter called area" means the city of Topeka and all the territory in Shawnee County. Kansas.
- § 980.6 Approved dairy farmer "Approved dairy farmer" means any person
- (a) Holds a permit or rating issued by the health authority of any municipal or State government for the production of milk to be disposed of as Grade A milk.
- (b) Produces milk acceptable to agencies of the United States Government for fluid consumption in its institutions or bases as Type I, Type II, No. 1, or Type III, No. 1, which milk is received at an approved plant supplying-Class I or Class II milk products to such an. institution or base in the marketing area.
- § 980.7 Producer. "Producer" means any approved dairy farmer (except a producer-handler) whose milk is:
 - (a) Received at a pool plant, or
- (b) Diverted by either the handler who operates a pool plant or a cooperative association to a non-pool plant for the account of such handler or cooperative association.
- § 980.8 Approved plant. "Approved plant" means any milk plant or portion thereof which is:
- (a) Approved by the health authority of any municipal or State government

for the handling of milk for consumption as Grade A milk and from which Class I milk is disposed of on routes within the marketing area, or

(b) Supplying Class I milk to any agency of the United States Government located within the marketing area.

§ 980.9 Pool plant. "Pool, plant" means any approved plant other than that of a producer handler.

- period of (a) During any delivery March, April, May or June within which such plant disposes of as Class I milk an amount equal to 40 percent or more of such plant's total receipts of milk from approved dairy farmers and disposes of as Class I milk on routes in the marketing area an amount equal to 20 percent or more of such plant's total receipts of milk from approved dairy farmers.
- (b) During any other delivery period within which such plant disposes of as Class I milk, an amount equal to 50 percent or more of such plant's total receipts of milk from approved dairy farmers and disposes of as Class I milk on routes in the marketing area an amount equal to 25 percent or more of such plant's total receipts of milk from approved dairy farmers.

(c) For the purpose of this definition,

the following shall apply.

(1) Milk diverted from an approved plant for the account of the handler operating such approved plant shall be considered a receipt at the approved plant from which it was diverted; and

- (2) Milk diverted from an approved plant to another milk plant for the account of a cooperative association which does not operate a plant shall be deemed to have been received by such cooperative association at a pool plant.
- "Handler" means § 980.10 Handler (a) any person in his capacity as the operator of an approved plant, or (b) any cooperative association with respect to the milk of any producer which such cooperative association causes to be diverted from a pool plant to another milk plant for the account of such cooperative association.
- § 980.11 Producer-handler ducer-handler" means any person who produces milk, operates an approved plant, and receives no milk from producers or from sources other than pool plants.
- § 980.12 Producer milk. "Producer milk" means all milk produced by a producer, other than a producer-handler. which is received by a handler either directly from such producers or from other handlers.
- § 980.13 Other source milk. "Other source milk" means all milk and milk products other than producer milk.
- § 980.14 Milk product. "Milk product" means any product manufactured from milk or milk ingredients except those products which are included in the definitions of Class II milk pursuant to § 980.41 (b) and which are disposed of in the form in which received without further processing or packaging by the handler.
- § 980.15 Delivery period. "Delivery period" means calendar month or the

portion thereof during which this part is in effect.

§ 980.16 Base milk. "Base milk" means the amount of milk received by a handler from a producer during each of the delivery periods of February through July which was not in excess of such producer's daily base computed pursuant to § 980.66 multiplied by the number of days in such delivery period on which such milk was received by the handler: Provided, That with respect to any producer on "every-other-day" delivery to a pool plant the days of nondelivery shall be considered as days of delivery for purposes of this section and of § 980.66.

§ 980.17 Excess milk. "Excess milk" means the amount of milk received by a handler from a producer during any of the delivery periods of February through July which is in excess of base milk received from such producer during such delivery period and shall include all milk received from a producer for whom no daily base can be computed pursuant to § 980.66.

§ 980.18 Route. "Route" means any delivery (including delivery by a vendor or a sale from a plant or a plant store) of any milk or any milk product classified as Class I milk pursuant to § 980.41 (a) other than a delivery to any milk processing plant.

MARKET ADMINISTRATOR

§ 980.20 Designation. The agency for the administration of this part shall be a market administrator who shall be a person selected by the Secretary. Such person shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of the Secretary.

§ 980.21 Powers. The market administrator shall:

(a) Administer the terms and provisions of this part;
(b) Report to the Secretary com-

plaints of violation of the provisions of this part:

(c) Make rules and regulations to effectuate the terms and provisions of this part; and

(d) Recommend to the Secretary amendments to this part.

§ 980.22 Duties. The market ad-

ministrator shall: (a) Within 45 days following the date upon which he enters upon his duties,

execute and deliver to the Secretary a bond, conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary:

(b) Pay out of the funds provided by § 980.89 the cost of his bond, his own compensation, and all other expenses necessarily incurred in the maintenance and functioning of his office, except as provided by § 980.88;

(c) Keep such books and records as will clearly reflect the transactions provided for in this part and surrender the same to his successor or to such other person as the Secretary may designate;

(d) Publicly disclose, unless otherwise directed by the Secretary, the name of any person who, within 10 days after the

date upon which he is required to perform such acts, has not made reports pursuant to §§ 980.30 through 980.32, or payments pursuant to \$\$ 980.80 and 980.84; and

(e) Promptly verify the information contained in the reports submitted by

handlers;

(f) On or before the 12th day of each month report to each cooperative association which so requests the percentage utilization of milk received from producers in each class by each handler who in the preceding delivery period received milk from members of such cooperative association;

(g) On or before February 1 of each year in writing notify (1) each producer who made deliveries of milk during the previous September through December of his daily base computed pursuant to § 980.66, (2) each cooperative association of the daily base of each member of such association, and (3) each handler of the daily base of each producer from whom such handler receives milk: and

(h) Publicly announce by mail to all handlers and cooperative associations, and by such other means as he deems appropriate, the prices determined for each delivery period as follows:

(1) On or before the 10th day of each month the minimum price for Class I milk pursuant to § 980.50 (a) and the Class I butterfat differential pursuant to § 980.51 (a) both for the current delivery period; and on or before the 5th day of each month the minimum price for Class II milk pursuant to § 980.50 (b) and the Class II butterfat differential pursuant to § 980.51 (b) both for the delivery period immediately preceding; and

(2) On or before the 10th day of each month, the applicable uniform price(s) per hundredweight computed pursuant to §§ 980.71 and 980.72, the butterfat differential computed pursuant to § 980.82 and such of the computations of the uniform price(s) made pursuant to §§ 980.71 and 980.72 as do not disclose information confidential pursuant to the act.

REPORTS, RECORDS, AND FACILITIES

§ 980.30 Reports of receipts and utilization. On or before the 7th day after the end of each delivery period each handler, except a producer-handler, shall report to the market administrator in detail and on forms prescribed by the market administrator with respect to receipts within such delivery period, as follows

(a) The receipts at each plant of milk from each producer, the average butterfat test, the pounds of butterfat contained therein, the number of days on which milk was received from such producer, and for each of the delivery periods of February through July, the total pounds of base milk and excess milk received from each producer.

(b) The receipts from such handler's own farm production and the butterfat

content thereof;

(c) The receipts of milk; cream and milk products from handlers who received milk from producers and the butterfat content thereof;

(d) The receipts of other source milk;

(e) The respective quantities of milk and milk products and the butterfat content thereof which were sold, distributed or used, including sales to other handlers, for the purpose of classification pursuant to § 980.40;

(f) The disposition of Class I products

outside the marking area; and

(g) Such other information with respect to receipts and utilization as the market administrator may prescribe.

§ 980.31 Payroll reports. On or before the 20th day of each delivery period, each handler operating a pool plant shall submit to the market administrator his producer payroll for receipts during the preceding delivery period, which shall show.

(a) The total pounds of milk, the average butterfat test thereof, and the pounds of butterfat received from each producer and cooperative association. and the number of days on which milk was received from such producer, including for each of the delivery periods of February through July such producers' deliveries of base milk and excess milk.

(b) The amount of payment to each producer and cooperative association: and

(c) The nature and amount of any deductions or charges involved in such payments.

§ 980.32 Other reports. Each handler who is not required to submit reports pursuant to \$980.30 shall submit such reports with respect to his handling of milk or milk products at the time and in such manner as the market administrator may request and shall permit the market administrator to verify such reports.

§ 980.33 Verification of reports and payments. The market administrator shall verify all reports and payments of each handler by audit of such handler's records and the records of any other handler or person upon whose disposition of milk the classification depends. Each handler shall keep adequate records of receipts and utilization of milk and milk products and shall during the usual hours of business, make available to the market administrator such records and facilities as will enable the market administrator to:

(a) Verify the receipts and disposition of all milk and milk products and in the case of errors or omissions, ascertain the

correct figures;

(b) Weigh, sample, and test for butterfat content the milk purchased or received from producers and any product of milk upon which classification depends; and
(c) Verify payments to producers.

§ 980.34 Retention of records. All books and records required under this part to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the calendar month to which such books and records pertain: Provided, That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records, or of specified books and records, is necessary in connection with a proceeding under section 8c (15) (A) of the

act or a court action specified in such notice, the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 980.40 Milk to be classified. All milk and milk products received within the delivery period by each handler which are required to be reported pursuant to § 980.30 shall be classified by the market administrator pursuant to the provisions of §§ 980.41 through 980.46, inclusive.

§ 980.41 Classes of utilization. Subject to the conditions set forth in §§ 980.43 and 980.44, the classes of utili-

zation shall be as follows:

- (a) Class I milk shall be all skim milk and butterfat (1) disposed of for consumption in the form of milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream (sweet or sour, including any mixture of cream and milk or skim milk containing less butterfat than the regular standard for cream), (2) used to produce concentrated (frozen or fresh) milk, flavored milk or flavored milk drinks disposed of on routes for fluid consumption neither sterilized nor in hermetically sealed cans, (3) used in creaming cottage cheese disposed of as creamed cottage cheese, and (4) all other skim milk and butterfat not specifically accounted for as Class II milk.
- (b) Class II milk shall be all skim milk and butterfat: (1) Used to produce butter, plain or sweetened condensed or evaporated milk, spray or roller process nonfat dry milk solids, powdered whole milk, ice cream, ice cream mix, frozen desserts, eggnog, aerated cream products with flavor or sweetening added in containers or dispensers under pressure, casein, margarine and cheese (including skim milk used to produce cottage cheese curd, but not including skim milk and butterfat used in creaming cottage cheese disposed of as creamed cottage cheese),. (2) used for starter churning, wholesale baking and candy making purposes; (3) disposed of as livestock feed: (4) in skim milk dumped, after prior notification to market administrator, and opportunity for verification by the market administrator: (5) in cream frozen and stored; (6) in inventory at the end of the month as any product (other than frozen cream) specified in paragraph (a) of this section; and (7) in shrinkage not in excess of 2 percent of total receipts, other than receipts from pool plants of other handlers, of skim milk and butterfat, respectively.
- f 980.42 Shrinkage. The market administrator shall, prorate shrinkage of skim milk and butterfat classified as Class II milk between the receipts of skim milk and butterfat, respectively, in milk from producers and other source milk,

§ 980.43 Responsibility of handlers in establishing the classification of milk. In establishing the classification as required in § 980.41 of any milk received by a handler from producers, the burden rests upon the handler who received the milk from producers to account for the milk and to prove to the market administrator that skim milk and butterfat in such milk should not be classified as Class I milk.

§ 980.44 Transfers of milk. Skim milk and butterfat transferred in the form of milk, skim milk, or cream from an approved plant to other milk plants shall be classified as follows:

(a) Milk or skim milk moved in fluid form from an approved plant to an unapproved plant located more than 100 miles from the approved plant shall be

Class I milk;

(b) Cream moved in fluid form from an approved plant to an unapproved plant located more than 100 miles from the approved plant shall be Class I milk if moved under Grade A certification and shall be Class II milk if so moved without Grade A certification;

(c) Milk, skim milk, or cream moved in fluid form from an approved plant to an unapproved plant located not more than 100 miles from the approved plant and from which fluid milk and cream are distributed, shall be Class I. Provided, That if the purchaser certifies that the market administrator may verify the necessary records such milk, skim milk or cream, shall be classified as follows: (1) Determine the classification of all milk received in the unapproved plant. and (2) allocate the milk, skim milk or cream received from the approved plant to the highest use classification remaining after subtracting in series beginning with Class I milk, the receipts of skim milk and butterfat at such unapproved plant directly from dairy farmers who the market administrator determines constitute its regular source of milk for Class I use:

(d) Except as provided in paragraphs (c) and (e) of this section milk, skim milk, or cream moved from an approved plant to an unapproved plant located not more than 100 miles from the approved plant and which does not distribute fluid milk or cream shall be classi-

fied as Class II milk;

(e) Milk, skim milk or cream moved from an approved plant to an unapproved plant (1) operated by the handler operating such approved plant or by an affiliate of such handler, (2) located in the marketing area, and (3) from which milk, skim milk, or cream is moved to any other milk plant, shall be classified as though moved directly from the approved plant to such other milk plant, to the extent of the volume moved from such unapproved plant to other milk plants;

(f) Milk, skim milk or cream moved from an approved plant to the approved plant of another handler, except a producer-handler, shall be Class I unless utilization in another class is indicated in writing by both the seller and the buyer on or before the 5th day after the end of the delivery period, but in no event shall the amount classified in any

class exceed the total use in such class by the receiving handler 'Provided, That if either or both handlers have purchased other source milk, the milk, skim milk, or cream so moved shall be classifled at both plants so as to return the highest class utilization to producer milk.

(g) Milk, skim milk, or cream disposed of from an approved plant to a producer-handler shall be Class I.

§ 980.45 Computation of skim milk and butterfat in each class. For each delivery period, the market administrator shall correct mathematical and other obvious errors in the report of receipts and utilization submitted by each handler and shall compute the total pounds of skim milk and butterfat, respectively, in Class I milk and Class II milk for such handler.

§ 980.46 Allocation of skim milk and butterfat classified. After making the computations pursuant to § 980.45 the market administrator shall determine the classification of milk received from producers at the pool plant(s) of each handler as follows:

(a) Skim milk shall be allocated in

the following manner:

(1) Subtract from the total pounds of skim milk in Class II the pounds of skim milk prorated to shrinkage in skim milk received from producers pursuant to § 980.42.

(2) Subtract from the remaining pounds of skim milk in series beginning with Class II, the pounds of skim milk in receipts of other source milk;

(3) Substract from the remaining pounds of skim milk, in series beginning with Class II, the pounds of skim milk in inventory at the beginning of the month as any product specified in § 980.41 (a)

(4) Subtract from the pounds of skim milk remaining in each class the skim milk received from other pool plants according to its classification as determined pursuant to § 980.44 (f),

(5) Add to the pounds of skim milk remaining in Class II the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph; and

(6) Subtract from the pounds of skim milk remaining in each class any amount by which the pounds of skim milk remaining in both classes exceed the pounds of skim milk in milk received from producers in series beginning with Class II. Such excess shall be called "overage"

(b) Butterfat shall be allocated in accordance with the procedure outlined for skim milk in paragraph (a) of this section.

(c) Determine the quantity and the weighted average butterfat content of the Class I milk and of the Class II milk computed pursuant to paragraphs (a) and (b) of this section.

MINIMUM PRIČES

§ 980.50 Class prices. Subject to the butterfat differentials set forth in § 980.51, each handler shall pay producers at the time and in the manner set forth in § 980.80 not less than the following prices per hundredweight of

milk received during each delivery period from producers:

(a) Class I milk. The price of Class I milk for each delivery period shall be the same as the Class I price for that delivery period provided for in Order No. 13, regulating the handling of milk in the Greater Kansas City marketing area.

(b) Class II milk. The price of Class II milk shall be the average price ascertained by the market administrator to have been paid or to be paid for ungraded milk of 3.8 percent butterfat content received during such delivery period at the following plants: The Jensen Creamery Company at its plant at Topeka, Kansas, the Beatrice Foods Company at its plant at Topeka, Kansas; Provided, That in no event shall the price be less than that paid at the Beatrice Foods Company plant included herein.

§ 980.51 Butterfat differential to handlers. For each one-tenth of one percent that the average butterfat content of the milk allocated to either class is more or less than 3.8 percent, the class price calculated pursuant to § 980.50 shall be increased or decreased, respectively, by a butterfat differential computed by multiplying the simple average, as computed by the market administrator, of the daily average wholesale selling price per pound (using the midpoint of any price range as our price) of Grade A (92 score) bulk creamery butter at Chicago, as reported by the United States Department of Agriculture, by the applicable factor listed below and dividing the result by 10:

(a) Class I milk: multiply such price for the preceding month by 1.30; and

(b) Class II milk: multiply such price for the current month by 1.15.

APPLICATION OF PROVISIONS

§ 980.60 *Producer-handler*. Sections 980.40 through 980.46, 980.50, 980.51, 980.61 through 980.67, 980.70 through 980.72 and 980.80 through 980.89 shall not apply to a producer-handler.

§ 980.61 Handler operating an approved plant which is not a pool plant. Each handler who operates an approved plant which is not a pool plant during a delivery period shall in lieu of the payments required pursuant to § 980.84 pay to the market administrator, for the producer settlement fund, on or before the 25th day after the end of such delivery period, the amount resulting from the computations of either paragraph (a) or paragraph (b) of this section, whichever is less.

(a) The product of the quantity of milk received by such handler which was disposed of in the marketing area as Class I milk during the delivery period multiplied by the difference between the price for Class I milk pursuant to § 980.50 (a) and the price for Class II milk pursuant to § 980.50 (b)

(b) Any plus amount resulting from the following computations: From an amount equal to the net pool obligation which would be computed pursuant to § 980.70 for such handler for such delivery period if such handler operated

a pool plant, deduct the gross payments made by such handler to approved dairy farmers for milk received during such delivery period.

§ 980.62 Handlers subject to other orders. In the case of any handler who the Secretary determines disposes of a greater portion of his milk as Class I milk in another marketing area regulated by another milk marketing order issued pursuant to the act, the provisions of this part shall not apply except as follows:

(a) The handler shall, with respect to his total receipts and utilization of milk, make reports to the market administrator at such time and in such manner as the market administrator may require and allow verification of such reports by the market administrator.

(b) If the prices which such handler is required to pay under the other order to which he is subject for milk which would be classified as Class I milk under this part, are less than the prices provided pursuant to this part, such handler shall pay to the market administrator for deposit into the producer-settlement fund (with respect to all milk disposed of as Class I milk within the marketing area) an amount equal to the difference between the value of such milk as computed pursuant to § 980.50 (a) and its value as determined pursuant to the other order to which he is subject.

§ 980.63 Other source milk allocated to Class I milk. For any other source milk allocated to Class I milk pursuant to § 980.46 (a) (2) and the corresponding step of § 980.46 (b) there shall be added in the computation of the net pool obligations of the handler, an amount equal to the difference between the value of such milk at the Class I price and its value at the Class II price. This additional payment shall not apply if the market administrator determines that such other source milk was used in Class I only to the extent that producer milk was not available to the handler at the class price pursuant to § 980.50 (a).

§ 980.64 Overage. If overage has been deducted from any class pursuant to § 980.46 (a) (6) the market administrator, in determining the net pool obligation of the handler pursuant to § 980.-70, shall add an amount computed by multiplying the pounds of such overage by the applicable class price.

§ 980.65 Diversion. Milk which is caused to be diverted by a handler directly from producers' farms to the pool plant of another handler for not more than 15 days during any delivery period shall be considered an inter-handler transfer of milk, and shall be considered as having been received by the handler who caused the milk to be diverted.

DETERMINATION OF BASE

§ 980.66 Computation of daily base for each producer The daily base for each producer applicable during each of the delivery periods of February through July, inclusive, shall be determined by the market administrator as follows:

(a) Divide the total pounds of milk received by a handler(s) at a pool plant from such producer during the immedi-

ately preceding delivery periods of September through December by the number of days during such period on which milk was received from such producer, or by 90, whichever is greater: Provided, That the daily base applicable during the delivery periods of February through July 1955 shall be the higher of that resulting from such computation or that resulting from an identical computation with respect to milk received from such producer during the immediately preceding delivery periods of October through December.

§ 980.67 Daily base rules. (a) Except as provided in paragraph (b) of this section, a daily base shall apply only to milk produced by the producers in whose name such milk was delivered to the handler(s) during the base-forming period.

(b) A producer may transfer his daily base during the period of February through July by notifying the market administrator in writing before the last day of any delivery period that such base is to be transferred to the person named in such notice but under the following conditions only:

(1) In the event of the death or entry into military service of a producer, the entire daily base may be transferred to a member of such producer's immediate family who carries on the dairy operation on the same farm.

(2) If a base is held jointly and such joint holding is terminated on the basis of written notification to the market administrator from the joint holders the entire daily base may be transferred to one of the joint holders, or divided in accordance with such notice between the former joint holders if they continue dairy operations.

DETERMINATION OF UNIFORM PRICE

§ 980.70 Net pool obligation of handlers. The net pool obligation of each handler for milk received during each delivery period from producers at pool plants shall be a sum of money computed by the market administrator as follows:

(a) Multiply the pounds of milk in each class computed pursuant to § 980.46 (c) by the applicable respective class prices (adjusted pursuant to § 980.51) and add together the resulting amounts;

(b) Add an amount equal to the total values pursuant to §§ 980.63 and 980.64; and

(c) Add a charge computed at a rate equal to the difference between the Class I and Class II prices for the current month for skim milk and butterfat in inventory subtracted from Class I pursuant to § 980.46 (a) (3) and the corresponding step of § 980.46 (b) in an amount not in excess of the skim milk and butterfat, respectively, remaining in Class II milk in the previous delivery period pursuant to § 980.46 (a) (4) and the corresponding step of § 980.46 (b)

§ 980.71 Computation of uniform price. For each of the delivery periods of August through January the market administrator shall compute the uniform price per hundredweight for milk received from producers as follows:

(a) Combine into one total the values computed pursuant to § 930.70 for all handlers who filed reports prescribed in

§ 980.30 and who made the payments pursuant to §§ 980.80 and 980.84 for the preceding delivery period;

(b) Add an amount equal to one-half of the unobligated balance in the producer-settlement fund:

(c) Subtract for each one-tenth percent by which the average butterfat content of the milk included in these computations is greater than 3.8 percent, or add for each one-tenth percent that such average butterfat content is less than 3.8 percent, an amount computed by multiplying the butterfat differential computed pursuant to § 980.82 by the total hundredweight of such milk;

(d) Divide by the total hundredweight of milk included in these computations;

and

(e) Subtract not less than 4 cents nor more than 5 cents. The resulting figures shall be the uniform price for such delivery period for milk of producers containing 3.8 percent butterfat.

§ 980.72 Computation of uniform price for base milk and excess milk. For each of the delivery periods of February through July the market administrator shall compute uniform prices per hundredweight for base milk and for excess milk as follows:

(a) Combine into one total the values computed pursuant to § 980.70 for all handlers who filed reports pursuant to § 980.30 and who made payments pursuant to §§ 980.80 and 980.84 for the preceding delivery period;

(b) Add an amount equal to onehalf of the unobligated balance in the

producer-settlement fund;

(c) Subtract for each one-tenth percent by which the average butterfat content of the milk included in these computations is greater than 3.8 percent, or add for each one-tenth percent that such average butterfat content is less than 3.8 percent, an amount computed by multiplying the butterfat differential computed pursuant to § 980.82 by the total hundredweight of such milk;

(d) Compute the total value of excess milk included in these computations by multiplying the hundredweight of such milk not in excess of the total quantity of Class II milk included in these computations by the price for Class II milk of 3.8 percent butterfat content, multiplying any remaining hundredweight of such milk by the price for Class I milk of 3.8 percent butterfat content, and adding together the resulting amounts.

(e) Divide the total value of excess milk obtained in paragraph (d) of this section by the total hundredweight of such milk, and adjust to the nearest cent. The resulting figures shall be the uniform price for such delivery period for excess milk of 3.8 percent butterfat received from producers;

(f) Subtract the value of excess milk obtained in paragraph. (d) of this section from the aggregate value of milk obtained in paragraph (c) of this section and adjust by any amount involved in adjusting the uniform price of excess milk to the nearest cent;

(g) Divide the amount obtained in paragraph (f) of this section by the total hundredweight of base milk included in these computations; and

(h) Subtract not less than 4 cents nor more than 5 cents from the amount computed pursuant to paragraph (g) of this section. The resulting figure shall be the uniform price for such delivery period for base milk of 3.8 percent butterfat received from producers.

PAYMENTS

§ 980.80 Time and method of payment. On or before the 12th day after the end of each delivery period, each handler, after deducting the amount of the payment made pursuant to § 980.81 and subject to the butterfat differential set forth in § 980.82, shall make payment to each producer at not less than the applicable uniform price(s) computed pursuant to §§ 980.71 and 980.72 for milk received from such producers: *Provided*, That with respect to producers whose milk was caused to be delivered to such handler by a cooperative association which is authorized to collect payment for such milk, the handler shall, if the cooperative association so requests, pay such cooperative association an amount equal to the sum of the individual payments otherwise payable to such producers in accordance with this section.

§ 980.81 Half delivery period payments. On or before the 25th day of each delivery period, each handler shall make payment to each producer, who has not discontinued delivery of milk, for milk received from him during the first 15 days of the delivery period at not less than the Class II price for the preceding delivery period: Provided, That with respect to producers whose milk was caused to be delivered to such handler by a cooperative association which is authorized to collect payment for such milk, the handler shall, if the cooperative association so requests, pay such cooperative association an amount equal to the sum of the individual payments otherwise payable to such producers in accordance with this section.

§ 980.82 Producer butterfat differential. In making payments pursuant to § 980.80, there shall be added to or subtracted from the uniform price for each one-tenth of 1 percent that the average butterfat content of milk received from the producer is above or below 3.8 percent, an amount computed by adding 4 cents to the simple average as computed by the market administrator of the daily wholesale selling price (using the midpoint of any price range as one price) of Grade A (92-score) bulk creamery butter per pound at Chicago, as reported by the U. S. Department of Agriculture during the delivery period, dividing the resulting sum by 10, and rounding to the nearest one-tenth of a cent.

§ 980.83 Producer-settlement fund.
(a) The market administrator shall establish and maintain a separate fund known as the "producer-settlement fund" into which he shall deposit all payments made by handlers pursuant to §§ 980.61, 980.62, 980.84 and 980.86, and payments received from the administrator of another order issued pursuant to the act which have been required under such order with respect to milk distributed from pool plants in the market-

ing area regulated by such other order, and out of which he shall make all payments to handlers pursuant to §§ 980.85 and 980.86: *Provided*, That the market administrator shall offset any such payment to any handler against payments due from such handler.

(b) Immediately after computing the uniform price for each delivery period, the market administrator shall compute the amount by which each handler's net pool obligation is greater or less than the sum obtained by multiplying the hundredweight of milk of producers by the appropriate prices required to be paid producers by handlers pursuant to § 980.80 and adding together the resulting amounts, and shall enter such amount on each handler's account as such handler's pool debit or credit, as the case may be, and render such handler a transcript of his account.

§ 980.84 Payments to the producersettlement fund. On or before the 11th day after the end of each delivery period, each handler shall pay to the market administrator for payment to producers through the producer-settlement fund, the amount by which the net pool obligation of such handler is greater than the sum required to be paid producers by such handler pursuant to § 980.80.

§ 980.85 Payments out of the producer-settlement fund. (a) On or before the 11th day after the end of each delivery-period, the market administrator shall pay to each handler for payment to producers the amount by which the sum required to be paid producers by such handler pursuant to § 980.80 is greater than the net pool obligation of such handler.

(b) If the balance in the producersettlement fund is insufficient to make all payments pursuant to this paragraph, the market administrator shall reduce uniformly such payments and shall complete such payments as soon as the necessary funds are available. No handler who, on the 12th day after the end of the delivery period, has not received the balance of such reduced payment from the market administrator, shall be deemed to be in violation of § 980.80 if he reduces his payments to producers by not more than the amount of the reduction in payment from the producer-settlement fund.

§ 980.86 Adjustment of errors in payment. Whenever verification by the market administrator of reports or payments of any handler discloses errors made in payments to the producersettlement fund pursuant to § 980.84, the market administrator shall promptly bill such handler for any unpaid amount and such handler shall, within 4 days of such billing, make payment to the market administrator of the amount so billed. Whenever verification discloses that payment is due from the market administrator to any handler pursuant to § 980.85, the market administrator shall, within 5 days, make such payment to such handler or offset any such payment due any handler against payments due from such handler. Whenever verification by the market administrator of the payment by a handler to any producer for milk received by such handler discloses payment to such producer of less than is required by § 980.80, the handler shall make up such payment to the producer not later than the time of making payments to producers next following such disclosure.

§ 980.87 Statements to producers. In making payments to producers as prescribed in § 980.80, each handler shall furnish each producer with a supporting statement, m such form that it may be retained by the producer which shall

(a) The delivery period and the identity of the handler and of the producer:

(b) The total pounds of milk (base milk and excess milk separately for February through July) delivered by the producer and the average butterfat test thereof, and the pounds per shipment if such information is not furnished to the producer each day

(c) The minimum rate or rates at which payment to the producer is required pursuant to §§ 980.80 and 980.82:

(d) The rate which is used in making the payment if such rate is other than the applicable minimum rate:

(e) The amount or the rate of each deduction claimed by the handler, including any deduction made pursuant to §§ 980.81 and 980.88 together with a description of the respective deductions;

(f) The net amount of payment to the producer.

§ 980.88 Marketing services—(a) Deductions for marketing services. Except as set forth in paragraph (b) of this section, each handler shall deduct 5 cents per hundredweight from the payments made to each producer other than himself pursuant to § 980.80 with respect to all milk of each producer purchased or received by such handler during the delivery period and shall pay such deductions to the market administrator on or before the 12th day after the end of such delivery period. Such moneys shall be expended by the market administrator to provide market information and for the verification of weights, sampling and testing of milk received from said producers.

(b) Producers' Cooperative Association. In the case of producers for whom a cooperative association is actually performing the services set forth in paragraph (a) of this section, each handler shall make deductions from the payments to be made pursuant to § 980.80 which are authorized by such producers, and on or before the 12th day after the end of each delivery period, pay such deductions to the market administrator for the account of the association of which such producers are members.

§ 980.89 Expense of administration. As his pro rata share of the expense of administration of this part each handler shall pay to the market administrator, on or before the 12th day after the end of each delivery period, 2 cents per hundredweight, or such lesser amounts as the Secretary may from time to time prescribe with respect to all milk received

during such delivery period from approved dairy farmers.

MISCELLANEOUS PROVISIONS

§ 980.90 Termination of obligation. The provisions of this section shall apply to any obligation under this part for the

payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation, unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall contain but need not be limited to the following information:

(1) The amount of the obligation: (2) The month(s) during which the milk, with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part, to make available to the market administrator or his representative all books and records required by this part to be made available, the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section, a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part of the handler against whom the obli-

gation is sought to be imposed. (d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler, within the applicable period of time, files pursuant. to section 8c (15) (A) of the act, a petition claiming such money.

§ 980.91 Effective time. The provisions of this part, or any amendment is held invalid, the application of such

to this part, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to ₹ 980.92.

§ 980.92 Suspension or termination. Any or all of the provisions of this part, or any amendment to this part, may be suspended or terminated as to any or all handlers after such reasonable notice as the Secretary shall give and shall, in any event, terminate whenever the provisions of the act cease to be in effect.

§ 980.93 Continuing power and duty of the market administrator. (a) If, upon the suspension of termination of any or all provisions of this part there are any obligations arising under this part the final accrual or ascertamment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: Provided, That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such other person, persons, or agency as the Secretary may designate.

(b) The market administrator, or such other person as the Secretary may designate, shall (1) continue in such capacity until removed, (2) from time to time account for all receipts and disbursements and when so directed by the Secretary deliver all funds on hand, together with the books and records of the market administrator, or such person, to such person as the Secretary shall direct, and (3) if so directed by the Secretary execute assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator or such person pursuant thereto.

§ 980.94 Liquidation after suspension or termination. Upon the suspension or termination of any or all provisions of this part the market administrator, or such person as the Secretary may designate shall, if so directed by the Secretary, liquidate the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions of this part, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

§ 980.95 Agents. The Secretary may, by designation, in writing, name any officer or employee of the United States to act as his agent or representative m connection with any of the provisions of this part.

§ 980.96 Separability of provisions. If any provisions of this part, or its application to any person or circumstances,

provision and of the remaining provisions of this part, to other persons or circumstances shall not be affected thereby.

Issued at Washington, D. C., this 4th day of March 1955, to be effective on and after April 1, 1955.

[SEAL] E. L. PETERSON,
Acting Secretary of Agriculture.

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TITLE 25—INDIANS

Chapter I—Bureau of Indian Affairs, Department of the Interior

Subchapter L-Irrigation Projects: Operation and Maintenance

PART 130—OPERATION AND MAINTENANCE CHARGES

CROW INDIAN IRRIGATION PROJECT, MONTANA

MARCH 1, 1955.

On January 20, 1955, there was published in the daily issue of the Federal Register, notice of intention to modify § 130.12 Charges of Title 25, Code of Federal Regulations, dealing with irrigable lands within the Crow Indian Reservation, Montana not subject to the jurisdiction of the several irrigation districts.

Interested persons were thereby given opportunity to participate in preparing the modification by submitting data or written arguments within 30 days from the publication of the notice. No objections were submitted. Accordingly § 130.12 is modified as follows:

§ 130.12 Charges. In compliance with the provisions of the act of August 1, 1914 (38 Stat. 583; 25 U. S. C. 385) the operation and maintenance charges for irrigable lands under the Crow Indian Irrigation Project and under certain private ditches for the calendar year 1955 and subsequent years until further notice are hereby fixed as follows:

For the assessable area under constructed works on all Governmentoperated Units excepting Coburn

Ditch, per acre_____\$2.2 For the assessable area under constructed works on the Two Leggins

Unit, per acre______For the assessable area under the Boze-

(Secs. 1, 3, 36 Stat. 270, 272, as amended; 25 U. S. C. 385)

J. M. COOPER, Area Director

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[F. R. Doc. 55-2038; Filed, Mar. 9, 1955; 8:50 a. m.]

PART 130—OPERATION AND MAINTENANCE CHARGES

FLATHEAD INDIAN IRRIGATION PROJECT,
MONTANA

March 2, 1955.

On January 27, 1955, there was published in the daily issue of the Federal REGISTER notice of intention to amend §§ 130.16 and 130.17 of the Title 25, Code of Federal Regulations, dealing with 1rrigable lands of the Flathead Indian Irrigation Project not subject to the jurisdiction of the several arragation districts. Interested persons were thereby given opportunity to participate in preparing the amendments by submitting data or written arguments within 30 days from the date of publication of the notice. No objections were submitted. Accordingly §§ 130.16 and 130.17 are amended as follows, to be effective for the season of 1955 and thereafter until further notice.

§ 130.16 Charges, Jocko Division. (a) An annual minimum charge of \$2.53 per acre, for the season of 1955 and thereafter until further notice, shall be made against all assessable irrigable land in the Jocko Division that is not included in an Irrigation District organization, regardless of whether water is used.

(b) The minimum charge when paid shall be credited on the delivery of the pro rata per acre share of the available water up to one and one-half acre feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of one dollar and sixty-nine cents (\$1.69) per acre foot or fraction thereof.

§ 130.17 Charges, Mission Valley and Camas Divisions. (a) (1) An annual minimum charge of \$2.95 per acre, for the season 1955 and thereafter until further notice, shall be made against all assessable irrigable land in the Mission Valley Division that is not included in an Irrigation District organization regardless of whether water is used.

(2) The minimum charge when paid shall be credited on the delivery of the pro rata per acre share of the available water up to one and one-half-acre feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of one dollar and minety-seven cents (\$1.97) per acre foot or fraction thereof.

(b) (1) An annual minimum charge of \$3.09 per acre, for the season of 1955 and thereafter until further notice, shall be made against all assessable irrigable land in the Camas Division that is not included in an irrigation District organization regardless of whether water is used.

(2) The minimum charge when paid shall be credited on the delivery of the pro rata per acre share of the available water up to one and one-half acre feet per acre for the entire assessable area of the farm unit, allotment or tract. Additional water, if available, will be delivered at the rate of two dollars and six cents (\$2.06) per acre foot or fraction thereof.

(Secs. 1, 3, 36 Stat. 270, 272, as amended; 25 U. S. C. 385)

Amendment to order dated March 25, 1954 (19 F R. 1602) signed by F M. Haverland, Acting Area Director.

J. M. COOPER, Area Director

[F. R. Doc. 55-2037; Filed, Mar. 9, 1955; 8:50 a. m.]

TITLE 32—NATIONAL DEFENSE

Chapter V—Department of the Army

Subchapter A—Aid of Civil Authorities and Public Relations

PART 509—SECRECY SURROUNDING TROOP MOVEMENTS

Subchapter F-Personnel

PART 573—APPOINTMENT OF COMMISSIONED OFFICERS AND WARRANT OFFICERS

REVOCATION OF CERTAIN REGULATIONS

1. Part 509, Secrecy Surrounding Troop Movements, is revoked. See Part 505 for regulations pertaining to the safeguarding of Defense information.

2. Sections 573.300 through 573.333, pertaining to the appointment of Warrant Officers, are revoked.

[Cir. 310-8, Feb. 9, 1955, revoking AR 610-10] (R. S. 161; 5 U. S. C. 22)

[SEAL] HERBERT M. JONES,

Major General, U. S. Army,

Acting The Adjutant General.

[F. R. Doc. · 55-2012; Filed, Mar. 9, 1955; 8:45 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

Chapter I—Coast Guard, Department of the Treasury

Subchapter J—Procurement [CGFR 55-9]

PART 116-PROCEDURES FOR PURCHASING

PART 118-CONTRACTS

MISCELLANEOUS AMENDMENTS

The amendments to §§ 116.01-62, 116.01-66, and 116.01-68 prescribe revised instructions for administration of the Buy American Act and set forth a revised table of supplies excepted from the Buy American Act.

The amendments to §§ 116.01-71 and 116.03-12 are editorial in nature to clarify requirements of existing procedures and to eliminate duplication in instructions,

A new section designated § 116.01-78 prescribes instructions for the dissemination of information pertaining to the award of unclassified contracts exceeding \$25,000.

The amendment to \$ 116.01-155 sets forth instructions for the disposal of office labor-saving devices outside the continental United States for which replacement is to be made.

The amendment to \$ 118.03-5 prescribes a modified Nondiscrimination in Employment clause for use in purchaso orders not in excess of \$5,000.

By virtue of the authority vested in me as Commandant, United States Coast Guard, by Treasury Department Order No. 120, dated July 31, 1950 (15 F R. 6521) the following amendments are prescribed:

1. Section 116.01-62 is amended by revising paragraph (c) and by adding two new paragraphs (d) and (e) reading

§ 116.01-62 Terminology. * * *

(c) Materials (including articles and supplies) shall be considered to be of foreign origin if the cost of the foreign products used in such materials constitutes 50 percent or more of the cost of all the products used in such materials.

(d) The term "foreign bid" means a bid or offer of materials of foreign origin delivered at the place specified in the anvitation for bids or request for quotations, including duty (whether or not duty free entry certificate may be issued)

(e) The term "domestic bid" means a bid or offer of-materials of domestic origin delivered at the place specified in the invitation for bids or request for quotations.

2. Section 116.01-66 is amended to read as follows:

§ 116.01-66 Determination of unreasonable cost—(a) Policy: In the evaluation of bids under the Buy American Act and Executive Order 10582, dated December 17, 1954, domestic bids will be accorded a price differential of 6 percent of the foreign bid, except as provided in paragraph (b) (2) of this section. In carrying out this policy, appropriate consideration shall be given to the placement of a fair proportion of the total purchases of a unit with small business concerns and to providing a preference to domestic firms which undertake to produce substantially in labor surplus areas (see §§ 116.02-88 and 116.02-141)

(b). Procedures. (1) When the price differential between the low acceptable foreign bid and the low acceptable domestic-bid is 6 percent or less of the foreign bid, award will be made to the offeror of the low acceptable domestic bıd.

(2) When the price differential between the low acceptable foreign bid and the low acceptable domestic bid is greater than 6 percent of the foreign bid, award will be made to the offeror of the low acceptable foreign bid, except that in the following cases the matter will be submitted to the Commandant (FS) for determination:

(i) The offeror of the low acceptable domestic bid is a small business concern, as defined in § 116.01-70 and the award under consideration to such concern, exclusive of the award of any items under the provisions of subparagraph (1) of this paragraph exceeds \$10,000; or

(ii) The offeror of the low acceptable domestic bid will perform substantially m a "Group IV" labor area, as defined in § 116.01–80, and the award under consideration to such firm, exclusive of the award of any items under the provisions of subparagraph (1) of this paragraph,

exceeds \$10,000.

(3) Notwithstanding subparagraphs (1) and (2) of this paragraph, where there may be reason to believe in any case that an award to an offeror of an otherwise acceptable low bid (whether Quartz crystals.

domestic or foreign) may be inconsistent Quebracho. with the public or national interest, the matter shall be referred to the Commandant (FS) In such cases, the Commandant must refer the matter to the Secretary of the Treasury with a statement of facts and recommendations.

3. Section 116.01-68 is amended by revising paragraph (b) to read as fol-

§ 116.01-68 Exceptions due to non-availability. * * * /

(b) The supplies listed below may be procured without regard to country of origin, except as restricted by § 116.01-

(1) Supplies authorized to be procured for public use.

Acetylene black. Agar, bulk. Aluminum, pig and ingot. Antimony, as metal or oxide. Asbestos, amosite. Bananas. Beef extract.

Bismuth. Books, trade, text, technical or scientific; newspapers; magazines; periodicals; printed briefs and films; not printed in the U.S. and for which domestic editions are not available.

Brazil nuts. Cadmium. Calcium cyanamide. Capers. Cashew nuts.

Castor beans. Chalk, English. Chicle.

Chrome ore or chromite. Cinchona bark.

Cobalt, in cathodes, rondelles, or other pri-mary forms. Cocoa beans.

Coconut and coconut meat in shredded desiccated or similarly prepared form.

Coffee, raw or green bean. Copper, refined, in ingots, cathodes or other refinery shapes.

Copra. Cork, wood or bark and waste. Damar gum. Diamonds, industrial. Emetine, bulk. Ergot, crude. Fiber, coir abaca and agave. Goat and kid skins. Graphite, crystalline, flake. Hog bristles. Hyoscine, bulk. Iodine, crude.

Ipecac, root.

Jute and jute burlaps.

Kaurigum. Lac and shellac.

Logs, veneer, and lumber from Alaskan yellow cedar, balsa, greenheart, lignum vitae, mahogany and teak.

Menthol, natural, bulk.

Mercury.

Nickel, primary, in ingots, pigs, shot, cath-odes, or similar forms; nickel oxide and nickel salts.

Nitroguanidine (also known as picrite).

Nux vomica, crude. Oiticica oil.

Olive oil.

Olives, green and stuffed, bulk. Oplum, crude.

Petroleum, crude, petroleum fuels, and petroleum lubricants.

Platinum and platinum group metals, re-fined, as sponge, powder, ingots, or cast

Pulp for paper production. Pyrethrum flowers.

Quiniding. Radium salts. Rubber, crude and latex. Rutile. Santonin, crude. Sardines. Selenium. Silk, unmanufactured. Sperm, oil. Spices and herbs. Talc, steatite. Taploca, taploca flour and cassava.

Tartar, crude, tartaric acid and cream of tartar. Tin, in bars, blocks and pigs.

Titanium, as sponge, ingot or other primary forms. Vanilla beans. Wax, carnauba.

(2) Supplies authorized to be used in the construction, alteration, or repair of any public building or public work.

Aluminum, pig and ingot. Antimony, as metal or oxide. Asbestos, amosite. Bismuth. Cadmium.

Chrome ore or chromite. Cobalt, in cathodes, rondelles or other primary forms.

Copper, refined, in ingots, cathodes or other refinery shapes.

Cork, wood or bark and waste. Graphite, crystalline, flake. Jute and jute burlaps. Lac and shellac.

Logs, veneer, and lumber from Alaskan vellow cedar, balsa, greenheart, lignum vitae, mahogany and teak.

Mercury. Mica.

Nickel, primary, in ingots, plgs, shot, cath-odes, or similar forms; nickel oxide and nickel salts.

Rubber, crude and later. Tin, in bars, blocks and pigs. Titanium, as sponge, ingot or other primary

4. Section 116.01-71 is amended to read as follows:

§ 116.01-71 Applicability of these in-structions. These instructions are ap-plicable to Coast Guard Headquarters, all districts, Headquarters' units, and other units effecting commercial procurement.

5. Part 116 is amended by adding a new \$116.01-78 reading as follows:

§ 116.01-78 Notification of contract awards to Department of Commerce and general public—(a) Policy. It is the policy of the Coast Guard that information be disseminated as widely as possible each week with respect to awards of unclassified contracts, exceeding \$25,-000 in amount, whether entered into after formal advertising or negotiation. The purpose of this dissemination is to assist small business concerns in locating prime contractors for the purpose of soliciting subcontracts.

(b) Action. In accordance with paragraph (a) of this section, a weekly synopsis of awards for each unclassified contract of more than \$25,000 (including contracts for the construction, alteration, and repair of buildings, bridges, roads or other kinds of real property). whether entered into after negotiation or formal advertising, shall be prepared by the Commandant (FS-1), each district commander (f) and commanding officers of Headquarters units.

- (1) Data to be included. Each synopsis will contain the following information:
 - (i) Name of contracting office.
- (ii) Brief description of the commodity or service procured, followed in parentheses by the applicable Invitation for Bid Number or Request for Quotation Number. Description will be clear, concise, and abbreviated wherever possible, with a minimum number of words for description but sufficient for understanding by interested persons. It will include, where appropriate, commonly used names of supply items, basic materials from which fabricated, general size, or dimensions, etc.

(iii) Quantity of items.

- (iv) Statement of dollar amount.
- , (v) Name and address of the contractor.
- (2) Submission. One copy of each synopsis shall be sent by air mail before the close of business at the end of each week by reporting offices to the following addressee:

Field Service Administrative Office, U. S. Department of Commerce, 433 West Van Buren Street, Chicago 7, III.

If past experience indicates that regular mail will insure Monday delivery, air mail will not be necessary.

- (c) News releases. In order that information may be given to the public with respect to the larger contracts awarded, contracting officers will issue Synopses of Award data to their public information officers for release to newspapers, newscasters, and other public information media.
- 6. Section 116.01–155 is amended by renumbering the present paragraph (b) (3) (i) and (ii) as (b) (3) (ii) and (iii) respectively, and by adding a new paragraph (b) (3)_(i) reading as follows:
- § 116.01–155 Procurement of office labor-saving devices. * * *
- (b) Exchange or sale of devices replaced. * * *
- (3) Devices purchased from other sources. • •
- (i) Disposition of devices outside continental United States. Commanders of the 14th and 17th Coast Guard Districts and the Greater Antilles Section are authorized to dispose of office laborsaving devices, for which replacement is to be made, by competitive bid sale without recourse to obtaining trade-in allowances from the supplier of the new devices. Awards will be determined on the basis of cash offers of the highest responsible bidders. However, an abstract of bids received (prepared on Form CG-3477), indicating the offers accepted, shall be forwarded to the Commandant (FS) under letter of transmittal for the purpose of applying the cash proceeds against orders covering replacement equipment. Abstracts shall also show the make, model, serial number, and year of manufacture of the devices sold.
- 7. Section 116.03-12 Record and report of negotiated contracts is hereby revoked.

- 8. Section 118.03-5 is amended by revising paragraph (t) to read as follows:
- § 118.03-5 Special contract clauses.
- (t) Nondiscrimination in employment—(1) Clause for contracts. The following clause will be used in contracts, as distinguished from purchase orders:

'NONDISCRIMINATION IN-EMPLOYMENT

- (i) In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of the nondiscrimination clause.
- (ii) The contractor further agrees to insert the foregoing provision in all sub-contracts hereunder, except subcontracts for standard commercial supplies or raw materials.
- (2) Clause for purchase orders. The following clause will be used in all purchase orders (except Standard Form 44, Purchase Order-Invoice-Voucher)

NONDISCRIMINATION IN EMPLOYMENT

In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

(62 Stat. 21; 41 U.S. C. 151-161)

Dated: March 4, 1955.

[SEAL] A. C.-RICHMOND,

Vice Admiral, U. S. Coast Guard,

Commandant,

[F. R. Doc. 55-2039; Filed, Mar. 9, 1955; 8:51 a. m.]

Chapter II—Corps of Engineers, Department of the Army

' PART 203—BRIDGE REGULATIONS

GREAT WICOMICO RIVER, VA.

Pursuant to the provisions of section 5 of the River and Harbor Act of August 18, 1894 (28 Stat. 362; 33 U. S. C. 499), \$ 203.245 (f) is hereby amended to include special regulations governing the operation of the Virginia Department of Highways bridge across the Great Wicomico River at Tipers Ferry, Virginia, by the addition of subparagraph (11-b), as follows:

§ 203.245 Navigable waters discharging into the Atlantic Ocean south of and including Chesapeake Bay and into the Gulf of Mexico, except the Mississippi

River and its tributaries and outlets; bridges where constant attendance of draw tenders is not required.

(f) Waterways discharging into Chesapeake Bay. * * *

(11-b) Great Wicomico River, Va., Virgima Department of Highways bridge at Tipers Ferry. Between 6:00 p. m. and 6:00 a. m., advance notice required to be given to the draw tender on duty at the bridge before 6:00 p. m.

[Regs., February 28, 1955, 823.01 (Great Wicomico River, Va.)—ENGWO] (28 Stat. 362; 33 U. S. C. 499)

[SEAL] HERBERT M. JONES,
Major General, U. S. Army,
Acting The Adjutant General.

[F. R. Doc. 55-2040; Filed, Mar. 9, 1055; 8:51 a. m.]

TITLE 43—PUBLIC LANDS:

Chapter I—Bureau of Land Management, Department of the Interior

Appendix C—Public Land Orders
[Public Land Order 1082]

UTAH

RESERVING PUBLIC LANDS IN CONNECTION WITH THE TOPAZ LAKE WILDLIFE CONSER-VATION AREA

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, the act of September 2, 1937 (50 Stat. 917; 16 U. S. C. 669-669i), and the act of March 10, 1934 as amended by the act of August 14, 1946 (48 Stat. 401, 60 Stat. 1080; 16 U. S. C. 661-666c), it is ordered as follows:

Subject to valid existing rights, the following-described public lands in Utah are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining but not the mineral-leasing laws, and reserved under the jurisdiction of the Department of the Interior for use of the Department of Fish and Game of the State of Utah in connection with the Topaz Lake Wildlife Conservation Area, under such conditions as may be prescribed by the Secretary of the Interior:

Salt Lake Meridian

T. 15 S., R. 8 W., Sec. 31.

T. 16 S., R. 8 W.,

Sec. 5; Sec. 6;

Sec. 7;

Sec. 8;

Sec. 18.

March 4, 1955.

- The areas described aggregate 4,142.13 acres.

This order shall take precedence over but not otherwise affect the Departmental order of March 30, 1944, establishing Utah Grazing District No. 10.

ORME LEWIS,
Assistant Secretary of the Interior

[F. R. Doc. 55-2019; Filed, Mar. 9, 1955; 8:46 a. m.]

[Public Land Order 1083]

RESERVING CERTAIN PUBLIC LANDS AS AN ADDITION TO THE COLD SPRINGS NATIONAL WILDLIFE REFUGE

By virtue of the authority vested in the President and pursuant to Executive Order No. 10355 of May 26, 1952, it is ordered as follows:

Subject to valid existing rights and the provisions of existing withdrawals for reclamation purposes, the following described lands in Oregon are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining but not the mineral-leasing laws, and reserved as an addition to the Cold Springs National Wildlife Refuge, established by Executive Order No. 1032 of February 25, 1909, as the Cold Springs Reservation, the name of which was changed by Executive Order No. 8380 of March 19, 1940:,

WILLAMETTE MERIDIAN

T. 5 N., R. 29 E., Sec. 34, S½NE¼ and SW¼SW¼. T. 4 N., R. 29 E., Sec. 3, SEMSWM. Sec. 12, EMNEM and NWMSEM.

The areas described aggregate 280 res.

Douglas McKay, Secretary of the Interior.

MARCH 4, 1955.

[F. R. Doc. 55-2020; Filed, Mar. 9, 1955; 8:46 a. m.]

TITLE 50—WILDLIFE

Chapter I—Fish and Wildlife Service,
Department of the Interior

PART 17-LIST OF AREAS

NATIONAL WILDLIFE REFUGES

CROSS REFERENCE: For order affecting the tabluation in § 17.3, see Title 43, Chapter I, Appendix C, PLO 1083, supra, reserving certain public lands as an addition to the Cold Springs National Wildlife Refuge.

PROPOSED RULE MAKING

DEPARTMENT OF THE INTERIOR Bureau of Indian Affairs I 25 CFR Part 130 1

COLVILLE INDIAN IRRIGATION PROJECT,
WASHINGTON

OPERATION AND MAINTENANCE CHARGES

FEBRUARY 28, 1955.

Pursuant to section 4 (a) of the Administrative Procedure Act of June 11, 1946 (60 Stat. 238; U.S. C. 1001) and authority contained in the acts of Congress approved August 1, 1914 and March 7, 1928 (38 Stat. 583, 45 Stat. 210; 25 U. S. C. 385, 387) and by virtue of authority delegated by the Commissionerof Indian Affairs to the Area Director by Order No. 551, Amendment No. 1, approved June 5, 1951 (16 F R. 5457) notice is hereby given of intention to modify §§ 130.9 and 130.10 of Title 25, Code of Federal Regulations, dealing with the operation and maintenance charges on assessable lands under the Colville Indian Irrngation Project, Washington, so as to read as follows:

§ 130.9 Charges. The annual operation and maintenance charges are hereby fixed for the lands under the various units, in the amounts named in this section, on the Colville Indian Irrigation Project, Washington.

(a) The per acre per annum rates for the following units are: Nespelem Unit \$1.75; Little Nespelem Unit \$1.75. All patent in fee lands and all Indian trust lands to which water can be delivered for irrigation and on which application for water services is made by the water users and approved by the Superintendent of the Indian Reservation, are subject to the above rates.

(b) The per acre per annum rate for the Monse Pumping Unit is hereby fixed at \$5.00 per acre for all patent in fee lands for which there are water right contracts, and for all Indian trust lands to which water can be delivered for irrigation. These charges shall apply regardless of whether water is requested or not.

§ 130.10 Payment. (a) The annual charges fixed in § 130.9 shall become due on April 1 of each year, are payable on or before that date, and any assessment remaining unpaid after the due date shall stand as a first lien against the land. Any delinquent charges against land in non-Indian ownership and Indian lands under lease to non-Indians shall be subject to a penalty of one-half of 1 percent per month, or fraction thereof, from the due date until paid.

(b) The delivery of water shall be refused to all tracts of land for which the charges have not been paid when due, except where the lands are in Indian ownership, not under lease to non-Indians, and the Indian owners shall have made the necessary arrangements with the superintendent as hereafter provided. When any Indian owner of land not under lease to a non-Indian is financially unable to pay the operation and maintenance charges on the due date from cash on hand, the superintendent may make the necessary arrangements with such Indian owner as will permit him to perform labor on the irrigation project works, the proceeds derived therefrom to be applied in partial payment of such charges. The superintendent may also make necessary arrangements for such Indian owner to pay the, operation and maintenance charges

from the proceeds of the crops grown on the land when harvested and marketed within that calendar year, provided written statements to that effect are furnished the superintendent by the Indian owner on or before the due date.

(c) In any instance where the superintendent is convinced that an Indian
landowner, whose land is not under lease
to a non-Indian, is financially unable
to pay his operation and maintenance
charges from proceeds of labor performed on the project works, or from
the proceeds of the crops being grown
on the land, or from any other source,
the delivery of water may be continued
if a written certificate is issued by the
superintendent stating that such Indian
is not financially able to pay such
charges. In such cases the unpaid
charges shall be entered on the accounts
and will stand as a first lien against the
land until paid but without penalty for
delinquency.

Interested persons are hereby given opportunity to participate in preparing the proposed amendments by submitting their views and data or argument in writing to Don C. Foster, Area Director, Bureau of Indian Affairs, P. O. Box 4097, Portland 8, Oregon, within 30 days from the date of publication of this notice of intention in the daily issue of the FEDERAL REGISTER.

Don C. Foster, Area Director.

[F. R. Doc. 55-2013; Filed, Mar. 9, 1955; 8:45 a. m.]

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 976]

[Docket No. AO-237-A3]

HANDLING OF MILK IN FORT SMITH, ARKANSAS, MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OP-PORTUNITY TO FILE WRITTEN EXCEPTIONS THERETO, WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND PROPOSED AMENDMENTS TO ORDER, AS AMENDED

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900) notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to a proposed marketing agreement and proposed amendments to the order, as amended, regulating the handling of milk in the Fort Smith, Arkansas, marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington 25, D. C., not later than the close of business the 5th day after publication of this decision in the FEDERAL REGISTER.

Exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed marketing agreement and amendments to the order were formulated was conducted at Fort Smith, Arkansas, on January 25, 1955, pursuant to notice thereof which was issued January 11, 1955 (20 F R. 344)

The maternal issues of record were concerned with:

1. The basic-rating plan; and

2. The price for Class II milk.

Findings and Conclusions. The following findings and conclusions are based on the evidence received at the hearing and the record thereof:

1. Payments should be computed under the base rating plan of the order for the months of February through July instead of only for the months of April, May and June. Beginning in the fall of 1956, bases should be established in the months of September through December rather than October through January.

While the Fort Smith order currently provides for payments to producers on a base rating plan for only three months of the year, the principal cooperative association representing local producers has computed payments to its members on a base rating plan of its own each month since January 1953. Since July 1954 the receipts of a handler whose plant is located in Little Rock, Arkansas, have been priced and pooled under the Fort Smith order, and currently represent more than half of the milk in the Fort Smith pool. Payments to the producers supplying those handlers have likewise been affected by the payment plan of the cooperative association of which such producers are members. Should a milk order for the Little Rock market result from a public hearing recently held with respect to proposed regulations, it is presumed that this milk would then be priced and pooled in Little Rock.

The experience of the local producer cooperative association has convinced this group of producers that a longer period of payments under the base plan will be more effective in leveling the seasonal pattern of production. In June 1954 average deliveries per farm for producer members of this association were 139 percent of those for October 1953, while for nonmember producers June 1954 deliveries per farm were 162 percent of those for the preceding October.

The disparity in methods of payment between member producers and non-member producers has, however, created numerous problems, as a result of which the association has proposed that the order provide a somewhat longer base-payment period, with the intention of then changing the association plan to conform. An eight month period of base-payment was proposed, with the suggestion that temporary or interim bases be provided for payment of producers without established bases in one or two months immediately preceding the base-forming months.

Since the present base-forming months of October through January were established in the order the seasonal low point of production has changed so that it now occurs in October. Producers and handlers agree that the months of September through December should be established as the base-forming months, but that this change should not be effective until 1956 so that producers will have ample opportunity to adjust their breeding and production plans. In each of the last two years January production per producer was significantly greater than that for the preceding September 11 is concluded that September should be substituted for January as a base forming month, effective September 1956.

With this revised base-forming period the six-month period of February through July will provide an appropriate base-operating period. For all of these months higher than average daily production per farm may be expected in the Fort Smith market. While average production during the months of February, March and July does not reach the peaks shown for April, May and June, production, significantly higher than for the base forming months normally occurs in these months. Payments on bases for this six-month period of each year will increase the incentive to producers to supply level production to the market beyond that provided by the present three-month base-payment period. While the month of January does not now appear as appropriate a base-forming month as was formerly the case, the record indicates no need for use of base payments in January to restrict seasonal increases in production. Use of the present blend price method of computing payments for August will provide opportunity for producers to enter the market at a season of the year that new producers are frequently needed in the Fort Smith market, and to have full opportunity to make a base for the ensuing vear.

2. The provisions for pricing Class II milk should be revised.

The Class II price of the Fort Smith order is currently the higher of a butter-powder formula price or the average paying price of four milk manufacturing plants, two of which are located in Missouri and two of which are located in Arkansas.

When the Fort Smith order first became effective the four-plant price exceeded the butter-powder formula price. For the September-December 1952 period this price averaged 27.6 cents more than the butter-powder price. In 1953 and 1954, however, the four-plant price has been the higher only for two months. On an annual basis the butter-powder price averaged 10.6 cents higher in 1953 and 13.0 cents higher in 1954.

Fort-Smith handlers do not maintain extensive manufacturing facilities in their plants. Cottage cheese is the only Class II product processed in these plants, while some sweet cream and whole milk is marketed to local ice cream plants. The principal disposition of Class II milk is as milk delivered to other milk manufacturing plants in the area. Deliveries to such manufacturing plants are usually accomplished by diversion from producers' farms so that extra handling costs are avoided. The plants whose prices are used for establishing the Class II price, however, are not all available for such diversion. The two plants located in Missouri are too far from Fort Smith. One Arkansas condensary has not accepted Grade A surplus milk recently. Considerable milk has been diverted to the fourth plant and to one or two other nearby plants. The average paying prices of these plants have been some 8 cents per hundredweight less than the four-plant price, so the Class II price has been approximately 21 cents per hundredweight more than the prices paid for milk disposed of to these plants. Much of the milk to be diverted to manufacturing plants has been turned over to the cooperative association. Net losses on milk handled by the cooperative association have resulted in members of the cooperative association receiving less than the uniform prices of the order.

For 1954 the Fort Smith Class II price averaged about 17 cents more than the Class II price of the Tulsa order. Opportunities for disposition of Class II milk are no more favorable in Fort Smith than in Tulsa. Deletion of the two Missouri plants and substitution of an Arkansas plant to which substantial volumes of milk have been diverted would have resulted in a 1954 average price within less than one cent of the Tulsa price. It is concluded that the Fort Smith Class II price should be determined by the average paying price of these three plants.

General findings. (a) The proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, and all of the terms and conditions thereof will tend to effectuate the declared policy of the act;

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as amended, and as hereby proposed to be further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The proposed order, as amended, and as hereby proposed to be further amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Rulings on proposed findings and conclusions. Within the period of time allowed for the filing of briefs, no briefs were received.

Recommended marketing agreement and amendment to the order The following order amending the order, as amended, regulating the handling of milk in the Fort Smith, Arkansas, marketing area, is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The proposed marketing agreement is not included in this decision because the regulatory provisions thereof would be identical with those contained in the

order, as amended, and as hereby proposed to be further amended.

1. Delete § 976.51 (b) and substitute therefor the following:

(b) Class II milk. The price for Class II milk shall be the average of the basic or field prices reported to have been paid or to be paid for ungraded milk of 40 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department:

Present Operator and Location

Pet Milk Co., Siloam Springs, Ark. Sugar Creek Creamery, Russellville, Ark. Ozark Creamery Co., Ozark, Ark.

- 2. In §§ 976.14, 976.15, 976.30 (a) 976.31 (a) 976.72, 976.80 (a) (2) and 976.90 change the words "April through June" to "February through July"
- 3. In §§ 976.71 and 976.80 (a) (1) change the words "July through March" to "August through January"
- 4. Delete § 976.90 (a) and substitute therefor the following:
- (a) Divide the total pounds of milk received by a handler(s) from such producer during the months of September through December immediately preceding by the number of days, not to be less than ninety, of such producer's delivery in such period except that the daily base applicable for each of the months of April through July 1955 and February through July 1956 shall be so computed from such producer's deliveries during the months of October through January immediately preceding.

Filed at Washington, D. C., this 7th day of March 1955.

ISEAL]

ROY W LENNARTSON, Deputy Administrator

[F. R. Doc. 55-2034; Filed, Mar. 9, 1955; 8:49 a. m.]

I 7 CFR Part 998 I

[Docket No. AO-259]

HANDLING OF MILK IN CORPUS CHRISTI, TEXAS, MARKETING AREA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEP-TIONS WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND ORDER

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S. C. 601 et seq.) and the applicable rules of practice and procedure, as amended, governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of the recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to a proposed marketing agreement and order, to regulate the handling of milk in the Corpus Christi, Texas, marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk United States Department of Agriculture, Washington 25, D. C., not later than the close of

business the 20th day after publication of this decision in the Federal Register. Exceptions should be filed in quadruplicate.

Preliminary statement. The hearing, on the record of which the proposed marketing agreement and order were formulated, was conducted at Corpus Christi, Texas, on June 15-23, 1954, pursuant to notice thereof which was issued on May 26, 1954 (19 F. R. 3196)

The material issues of record related

(1) Whether the handling of milk in the market is in the current of interstate commerce or directly burdens, obstructs or affects interstate commerce in milk or its products:

(2) Whether marketing conditions justify the issuance of a marketing agreement or order;

(3) If an order is issued, what its provisions should be with respect to:

(a) The scope of regulation;

(b) The classification of milk: (c) The level and method of deter-

mining class prices;

(d) The method of distributing proceeds of milk to producers; and

(e) Administrative provisions.

Findings and conclusions. Upon the evidence adduced at the hearing and the record thereof it is hereby found and concluded that:

(1) Character of commerce. The handling of milk in the Corpus Christi, Texas, marketing area is in the current of interstate commerce or directly burdens, obstructs, or affects interstate commerce in milk and milk products.

Substantial quantities of milk produced in States other than Texas are imported by handlers in the Corpus Christi market. This market has depended upon outside sources of supply in most months of the year. Local supplies are particularly likely to be deficient in the fall months. Monthly data for the period September 1952 through April 1954 show that bulk milk was purchased by local handlers from plants located in Missouri and Wisconsin during most of this period. Milk supplies, of course, are normally obtained from the nearest available sources first in order to minimize transportation costs. Nevertheless, milk from Missouri as well as Wisconsin sources was obtained in every month from September 1952 through June 1953. One handler also obtained milk from a plant in Mississippi in November and December 1953. During the five-month period December 1953 through April 1954 supplies within the Corpus Christi milkshed were more nearly adequate than in the preceding period and such additional supplies as were needed were obtained from the Houston, Texas, milkshed. It is apparent, however, that during a period of unfavorable production conditions in Corpus Christi and other Texas milksheds, it would again be necessary to draw upon outside sources.

There is also a direct interstate movement in the distribution of milk packaged by handlers in the Corpus Christi marketing area. Regular sales of milk are made to ships taking on cargoes at Corpus Christi. These ships include both intercoastal and ocean-going vessels.

The procurement areas and distribution territories served by the Corpus Christi handlers overlap those of handlers who are engaged in marketing milk in other Federally regulated milk marketing areas in which the marketing of milk is in the current of interstate commerce. San Antonio is the nearest Federal order area. San Antonio and Corpus Christi distributors compete actively for sales in Bee and Karnes Counties, northwest of Corpus Christi and in the Valley Counties of Cameron, Hidalgo and Willacy. At times, packaged milk for the Valley territory comes from as far north as the regulated North Texas marketing area.

Although the Corpus Christi producers supply milk primarily for fluid use, there are, at times, reserve supplies as a result of daily and seasonal variations in sales and production. Accordingly, in times of peak production some of the reserve milk is converted into manufactured dairy products. These products are sold in competition with similar products available and received from out-of-state sources. Some of the reserve milk is sold to cheese plants which market the finished product in other States. Butterfat and nonfat dried milk solids for ice cream are commonly purchased from outside sources. Concentrated skim milk in the form of condensed or nonfat solids, required to be made from "Grade A" milk, and which is imported from other States, is used to produce buttermilk and flavored milk for distribution through handlers' retail and wholesale outlets. Items such as butter and cheese for sale through retail and wholesale outlets are also purchased from outside sources.

(2) Marketing conditions in relationship to purposes of regulation. The issuance of an order to regulate the handling of milk in the proposed Corpus Christi, Texas marketing area will tend to effectuate the declared policy of the Agricultural Marketing Agreement Act.

The Coastal Bend Milk Producers Association, the proponents of the proposed order, has a membership of dairy farmers which constitutes a substantial majority of the dairy farmers supplying the later defined marketing area. This cooperative association of producers has been unable to represent its members in the sale of milk to one of the major distributors of milk in the marketing area. The association also has had difficulty in varying degrees in resolving its marketing problems with other handlers in the market. These difficulties result in an unusual degree of uncertainty and an unsatisfactory system for the sale of milk by producers who supply the proposed marketing area.

Producers are unable to make satisfactory pricing arrangements for the sale of their milk. The prices paid by handlers are determined by them without consultation with the producers. In the past, producers have been paid for their milk on the basis of a base and surplus plan and at times on "flat" prices without reference to the quantities utilized by the handlers for fluid or for manufacturing purposes. At the time of the hearing, nearly all handlers were paying essentially the same price for all

milk received from producers. Under this system of pricing, however, those handlers who are able to sell a higher than average proportion of the milk for Class I purposes will have higher than average returns and thereby gain a competitive advantage over their competitors in the procurement of their milk supply. On the other hand, handlers with a lower than average proportion of Class I sales will have a comparative disadvantage in procurement of supplies. Stability of market conditions and the development of adequate supplies of pure and wholesome milk can be assured for the Corpus Christi area only when all milk handlers in the area have substantially equal costs of milk in accordance with use and when farmers supplying the market receive the same price for milk of equal quality.

When supplies of milk are in excess of the individual-handler fluid milk needs, most of the handlers in the area employ the base and excess plan for the payment of producers. Producers are unable to ascertain when their handler's total receipts of milk from local farmers are in excess of Class I needs or whether all producers are treated equally in the computation and allocation of bases. Although the handlers pay a substantially equal price for base milk, the amount paid for excess milk depends upon the prices received by the handlers at the processing plant to which such milk is sent less the transportation charges incurred in such disposition. Such excess prices have varied considerably.

The Corpus Christi handlers have frequently found it necessary to purchase substantial quantities of milk from outside sources in order to meet their fluid milk needs. However, the quantities so purchased, the prices paid by handlers for these supplemental supplies, and the times when such milk is needed are not known by the producers. Frequently, handlers have had to pay considerably more for such milk than the price generally paid to local dairymen. However. there have been circumstances in which milk in excess of Class I needs in other markets has been made available to Corpus Christi handlers at a lower price than handlers have paid local producers. The producers' lack of knowledge about such outside milk results in mistrust and is a serious handicap to local producers in planning production to supply the market. The sporadic availability of surplus milk from other fluid milk markets purchased on an "opportunity" basis is a serious threat to market stability.

The producers' association is unable to make check tests of the weights and butterfat content of milk delivered by producer members to some of the handlers. Obviously a producer cannot be sure that he has obtained full value for his milk when he cannot check the accuracy of the weights and tests reported by the handler.

It is concluded that a Federal milk marketing order is needed to establish and maintain orderly marketing conditions in the Corpus Christi, Texas, marketing area. From the evidence of the record, it is clear that an order is the only available means of establishing unformity among the handlers in the classification and pricing of milk; providing impartial audit of handlers' records and of check weighing and testing of producer milk, equalizing payments among producers; and for providing marketwide information on receipts, sales and other market-wide data related to milk marketing problems in this market.

(3) Provisions of the order—(a) Scope of regulation, plants to be subject to regulation and milk to be priced. The nature of regulation under a Federal milk order is essentially that of providing use-classification of milk and a method for determining minimum prices to be paid by milk distributors to dairy farmers who deliver milk to the market in accordance with the use or disposition of such milk. This can best be done by delineating the marketing area and providing other appropriate definitions which set forth categories of persons, plants and milk and milk products for the purpose of classifying and pricing the milk received from such dairy farmers.

(a) Marketing area. The Corpus Christi marketing area should include all the territory, including incorporated cities and villages and military installations, within the Counties of Nueces, Jim Wells, Kleberg, Brooks, Duval, Live Oak and San Patricio. The City of Corpus Christi is the largest population center in the marketing area. Its estimated population in 1953 was 130 thousand out of a total population of 310 thousand in the seven-county area.

The area included in these seven counties is served almost exclusively by a group of four milk distributors. Two of these have bottling plants in Corpus Christi at which milk is received from producers. Another distributor has a plant at Kingsville. In addition to supplying his own routes, he supplies bottled milk to a vendor who previously maintained a receiving and bottling plant in Corpus Christi. The other distributor operates a plant located at Falfurnas. All four of these distributors compete with, each other for wholesale and retail sales throughout most of the marketing area.

Only a very small portion of the total sales in the defined area is made by other distributors whose plants are located outside of the area. A distributor associated primarily with the Houston market has a comparatively small volume of sales in Nueces and San Patricio Counties. A distributor with a plant located at Victoria also has a small portion of the sales in San Patricio County and another with a plant located at Laredo, Texas makes some sales in Duval County.

In addition to the sales competition, the four primary handlers also compete actively in the purchase of milk from dairy farmers. The milkshed area is, of course, somewhat larger than the defined marketing area but the farms of most of the producers supplying each of the four handlers are intermingled. The only producers who are not intermingled are a group located in the lower Rio Grande

Valley area which supplies one of the plants located in Corpus Christi. A majority of the producers supplying these four handlers are members of the Coastal Bend Milk Producers Association. This is, of course, additional evidence of a historical community of producer interest in supplying the defined marketing area.

On the basis of the distribution of milk, the defined area constitutes the minimum area for effective regulation. It includes all of the sales territory in which the four principal distributors supply the major portion of the Class I needs of the consumers without involving territory in which distributors from other areas are the major distributors.

The marketing area should be defined in terms of counties rather than being limited to the incorporated cities and villages. The sanitary regulations governing the production and sale of milk are on a county-wide basis. In some of the areas the health authority is a combined city-county body, Since there is no distinction between city and county sanitation standards, distributors commonly service both the cities and adjoining rural areas.

It is not administratively feasible nor necessary to include within the marketing area all of the territory in which handlers may be distributing any portion of their sales of milk or milk products. It would be impossible to establish a marketing area in which there is no overlapping of sales areas. It is impractical, therefore, to extend the boundaries of a marketing area to include the entire area in which regulated handlers distribute milk or compete for sales with unregulated handlers.

The Corpus Christi marketing area should not include the Counties of Goliad, Webb or Victoria. These were included in the notice of hearing but their inclusion was not supported by any party at the hearing. The lower Rio Grando Valley Counties, Cameron, Hidalgo and Willacy also should not be included in the marketing area. Only one of the four handlers who serves the Corpus Christi area has developed wholesale routes in the Valley Countles and he makes only a small proportion of the total sales in that area. Moreover, it appears unlikely that a Federal order for the Corpus Christi area will significantly affect this handler's competitive position in the Valley Counties since another distributor, who has plants located at San Antonio and Dallas, Texas which are subject to Federal orders, also maintains wholesale routes in this territory. There was no evidence at the hearing that the local handlers are providing unfair competition through the procurement of cheap milk; prices paid to producers are generally higher than in the Corpus Christi territory or areas further north in Texas.

The Counties of Karnes, Bee, Refugio, Aransas and Calhoun also should not be included in the marketing area. These counties are situated north and northeast of the defined marketing area. In this group of five counties the four handlers make less than half of the fluid milk sales. The remainder of the fluid

milk sales are made by handlers whose principal sales areas are further north at such points as Victoria, Houston, San Antonio and Dallas.

Definition of plants. The primary factor in determining which dairy farmers are producers of milk for the marketing area is the disposition of milk from the plant to which they deliver their milk. Market conditions described in the record indicate that the most practical method of order regulation would be to establish minimum prices to all farmers delivering "Grade A" milk to plants from which an appreciable amount of milk from the plant is regularly distributed in the marketing area.

Milk sold for fluid consumption in the marketing area must meet the Grade A inspection requirements of the various city and county health authorities. These authorities issue permits to dairy farmers and to milk plants supplying Grade A milk to consumers. The local health ordinances and regulations of the State of Texas are based on the United States Public Health Ordinance and Code. Fluid milk may be imported for fluid consumption in the principal cities of the marketing area, provided that such milk meets the standards of the United States Public Health Ordinance and originates from a market with a United States Public Health Service rating.

In order to qualify under the definitions of the order, any darry farmer or any milk plant should have the approval of an appropriate health authority for the production or disposition of milk for consumption as Grade A fitud milk. Since approval to produce or distribute milk in the proposed marketing area may be extended to farmers or plants under the inspection of other health authorities no requirement should be made that a darry farm or a milk plant must hold a permit actually issued by a health authority in the marketing area.

In delineating the Corpus Christi marketing area, it has been noted that most of the milk plants located within this area have a preponderance of their Class I business within the defined marketing area. The major portion of the milk received at such plants is distributed in fluid form to consumers. All plants which fall in this category should be fully regulated under the order.

There are also minor quantities of milk distributed in the proposed marketing area by plants located outside of the marketing area. Some of these plants dispose of milk in the fringe of the marketing area but their primary sales territory is outside of the marketing area. There is also one distributor with plants located in the Austin and Houston markets from which sales are made through retail and wholesale routes in Corpus Christi.

Plants located in the marketing area also purchase supplemental supplies of milk, particularly during the short production season, from plants located in adjacent markets and from more distant sources. Thus, milk plants supplying this market fall into two broad categories. These are "distributing plants" which package Grade A fluid products such as milk, milk drinks and cream

which are distributed to consumers, stores, restaurants and government institutions and "supply plants" from which the distributing plants draw supplemental supplies. Since these two classes of plants engage in different types of operations with respect to the proposed marking area, separate standards should be provided in order to distinguish which plants in each category will be subject to regulation.

It is not necessary to extend regulation to plants from which only minor quantities of milk are distributed in the marketing area. Such plants are selling primarily in competition with unregulated handlers outside the marketing So long as the limits are kept low area. as to the sales such a plant may make in the marketing area without subjecting the plant to regulation, the volume of unpriced milk will not disrupt the market. Under the individual-handler pool which is recommended hereinafter, the problem of pooling the milk of plants which are only remotely associated with the market is not present. It is concluded therefore, that the limit of route sales that a plant may make in the marketing area during the month without being subject to full regulation should be not more than 3 percent of the Grade "A" milk received at such plant from all sources or an average of less than 1,000 pounds of Class I milk per day, whichever is less. Any plant from which a greater volume of milk is disposed of in the marketing area should be designated as a distributing plant.

Any plant from which Class I milk is disposed of through routes in the marketing area but which does not meet the standards for a distributing plant should be defined as an "approved plant" and be required to file reports and submit to audit by the market administrator to verify the status of such plants.

At present there are no plants serving as receiving stations for distributing plants in the marketing area. Substantial quantities of supplemental supplies are brought in from time to time, however, when local production is not adequate for the needs of the market. Such receipts, in most cases, are of short duration and originate from widely scattered plants. A plant which furnishes only incidental shipments of bulk milk to distributing plants or supplies limited quantities of milk during the short production season need not be fully regulated. Shipments of milk from plants not subject to full regulation should be designated as other source milk and allocated to the manufacturing or lowest priced uses of the importing handler. This is necessary to assign the fluid milk sales to the regular producers for the distributing plant.

It is necessary, therefore, to provide supply plant standards in order to extend full regulation to plants which may become closely associated with the market and exclude those plants which furnish only incidental or seasonal supplemental supplies.

This may be accomplished by defining a "supply plant" as any plant which is approved to furnish Grade "A" milk and from which fluid milk or fluid skim milk is moved to a distributing plant (a) for

any of the months of February through July, on four or more days during the month or in an amount equal to a daily average of 3,300 pounds or more; and (b) for any of the months of August through January, (1) on 10 or more days during the month or an amount equal to a daily average of 8,300 pounds or more; or (2) on four or more days during the month or in an amount equal to a daily average of 3,300 pounds or more add such plant was a supply plant pursuant to (a) during any month of the immediately preceding period of February through July.

The status of plants furnishing supplemental supplies of milk may be determined by the market administrator on the basis of reports and audits of the distributing plant which receives the milk.

To simplify other order provisions, a definition should be provided for a "fluid milk plant" to include a supply plant or a distributing plant. Full regulation will be extended to all fluid milk plants except such a plant from which a higher proportion of the Class I sales from the plant is disposed of in a marketing area under another Federal order. It would not be feasible to extend regulation to such plants because to do so would subject them to duplicate regulation under the act. Provision should be made for the operators of such plants to report their receipts and utilization to the market administrator as may be necessary to determine their status under the order.

The term "route" is used in the definition of a distributing plant to cover a number of types of distributing operations in which handlers may engage in the proposed marketing area. "Route" should be defined as the operation of a vehicle or a plant store (including those operated by a vendor) from which Class I milk is disposed of to a wholesale or retail outlet(s). A "nonfluid milk plant" should be defined to include any milk manufacturing, processing, or bottling plant other than a fluid milk plant.

"Handler" should be defined as the operator of an approved plant. operator of any "approved plant" is included in order to require such a person to report to the market administrator as may be needed to determine his status and apply other order provisions pertaining to such handlers. The handler is the person to whom the provisions of the regulation are applicable. He is the person who receives the milk from dairy farmers and who is responsible for reporting receipts and utilization of milk at each approved plant. If the milk is priced, he is responsible for paying producers minimum prices. In case a person operates more than one plant at which milk is to be priced, he is to be a handler with respect to the combined operations of such plants. In case a handler operates both approved plants and other unregulated plants, this definition is not intended to include such person as an operator of such latter plants.

"Producer" should be defined as any person who produces milk in compliance

with inspection requirements of a duly constituted health authority for "Grade A" milk for fluid consumption and such milk is received at a fluid milk plant. This definition is intended to include the producers of milk for fluid use supplied by a fluid milk plant to Federal installations. Provision should also be made to include a producer whose milk is temporarily diverted to a nonfluid milk plant by the handler for his account. milk of producers which is temporarily diverted by a handler should continue to be pooled with the milk of his other producers so that the producers whose milk is diverted will be paid the handler's uniform price for their milk. This will facilitate the movements of milk to nonfluid milk plants for the purposes of adjusting supplies to short-term variations in supply and preserve the producer status of such dairy farmers so that their milk production will be available to supply the market's fluid milk needs at other times. In order that milk which is diverted will be pooled, it should be deemed to have been received at the plant from which it was diverted.

Producer-handler Persons who are engaged in the production of milk, distribute milk of their own herd and receive no milk from producers should be subject to the order only to the extent. that they must submit reports to the market administrator as required and maintain and make available to the market administrator accounts, records and facilities so that he may verify that such persons are producer-handlers. It would serve no useful purpose to require that a producer-handler pay any particular price for milk produced on his own farm. Since producer-handlers dispose of most of their milk directly to consumers for fluid use, they could not, in any event, be required to pool their milk with other producers under a handler pool.

The classification provisions of the proposed order should provide that any milk, skim milk or cream transferred by a handler to a producer-handler will be Class I milk. Any supplemental milk which a producer-handler obtains from other handlers must, by virtue of the nature of the operation involved, be presumed to be needed for fluid use and should be classified in the supplying handler's plant as Class I milk. A producerhandler may receive milk from other handlers and still maintain his status as a producer-handler. Any milk which a handler receives from a producer-handler should be considered as other source milk and allocated to the lowest class utilization at the fluid milk plant of a handler after the allocation of shrinkage on producer milk. Milk disposed of to another handler by a producer-handler must be presumed to be surplus to the operation of the producer-handler.

Producer-handlers, as heretofore discussed, are not required to make reports each month or share in the cost of administering the order. It is concluded, however, that a large-scale producer-handler, should make regular utilization reports, subject to audit, and pay the administrative assessment on his milk. Therefore, a producer-handler who disposes of more than an average of 3.300

pounds per day of Class I milk in the marketing area during the month should be considered as a regular handler. Such persons constitute a substantial factor in the market and should share in the expense of administering the order.

Other source milk. "Other source

milk" should be defined as all skim milk and butterfat contained in milk and milk products utilized by the handler in his operation except milk received from producers and Class I products received from other fluid milk plants. It will include all fluid milk and fluid milk products from plants other than fluid milk plants and all manufactured dairy products from any source which are reprocessed or converted into another product during the month. It will include those manufactured products from a plant's own production or from other fluid milk plants which are reprocessed or converted into another product in the plant during the same or a later month.

(b) Classification of milk. All milk and milk products received by a handler should be classified on the basis of skim milk and butterfat according to the form in which or the purpose for which it is used or disposed of as either Class I milk or Class II milk.

Skim milk and butterfat are not used in most products in the same proportion as contained in the milk received from producers and, therefore, should be classified separately according to their separate uses. The skim milk and butterfat content of milk products received and disposed of by handlers can be determined through recognized testing procedures. Some of these products such as ice cream and condensed products present an accounting problem in that some of the water contained in the milk has been removed. It is necessary in the case of such products to provide an acceptable means of ascertaining the amount of skim milk and butterfat used to produce them. This may be established through the use of adequate plant records made available to the market administrator for products produced by the handler or by means of standard conversion factors for products purchased by the handler. The accounting procedure to be used in the case of any milk product should be based on the pounds of milk or skim milk required to produce such products.

(1) Classes of milk. The products which should be included in Class I-milk are those required by health authorities in the marketing area to be obtained from milk products from approved Grade A sources. The extra cost of getting quality milk produced and delivered to a market in the condition and in quantities required make it necessary to provide a price for milk for Class I utilization above the ungraded or manufacturing milk price.

Class I milk should comprise all skim milk (including concentrated or reconstituted nonfat milk solids) and butterfat disposed of in fluid form as milk, skim milk, buttermilk, flavored milk drinks, cream (except frozen cream) and any mixture of milk, skim milk, and cream (except ice cream mix, eggnog and sterilized milk products in bulk or contained in hermetically sealed con-

tainers) All of the enumerated forms of milk are required by the health authorities having jurisdiction in the defined marketing area to be made from milk produced on farms having permits to supply milk for fluid use. The plants at which such milk is received from producers, processed, and bottled must also meet the prescribed standards and be covered by permits. Sanitary standards applicable to the farms and plants respectively are substantially equal throughout the area and the price applicable to Class I milk sold anywhere in the area should, therefore, be equal.

The Class I products which contain forms of concentrated skim milk solids such as skim milk drinks, buttermilk to which extra solids have been added, or concentrated whole milk disposed of for fluid use should be included under the Class I definition. Products such as evaporated or condensed milk packaged in bulk or in hermetically sealed cans should not be considered as concentrated milk.

Handlers must be held responsible for the full accounting of all their receipts of skim milk and butterfat in any form. The handler who first receives milk from producers should be responsible for establishing classification and making payment to producers for such milk, except for limited quantities of shrinkage which may, under certain conditions, be classified as Class II milk. All skim milk and butterfat which is received and for which the handler cannot establish utilization should be classified as Class I milk. This provision is necessary to remove any advantage to handlers who fail to keep complete and accurate records and to assure that producers receive full value for their milk on the basis of its use disposition.

All skim milk and butterfat used to produce products other than the enumerated forms of Class I milk should be Class II milk. Included in Class II are products such as cottage cheese, for cream, frozen cream, ice cream mix and other frozen desserts or mixes, butter, cheese, evaporated and condensed milk, nonfat dry milk solids, condensed or dry buttermilk and other products not designated as Class I milk. Skim milk and butterfat disposed of to commercial bakeries or food product manufacturing plants, other than dairy plants, and which do not dispose of milk for fluid consumption should be Class II milk.

Shrinkage not in excess of 2 percent of total receipts of skim milk and butterfat from producers and other sources should be considered as Class II milk. Shrinkage or plant loss above 2 percent should be Class I milk except that provision should be made for a Class II shrinkage allowance of 5 percent on skim milk only during the flush production season when it is sometimes necessary to dump small quantities of skim milk. A fluid milk plant efficiently operated and for which accurate and complete records are maintained generally will not experience shrinkage in excess of this amount.

Butterfat and skim milk used to produce Class II products should be considered to be disposed of when so used. Handlers will need to maintain stock

records on such products, however, to permit audit of their utilization records by the market administrator. Class II products from any source which are used during the month in the production of another product should be considered to be a receipt of other source milk. This will maintain priority of assignment of current receipts of producer milk to Class II utilization.

Handlers have inventories of milk and milk products at the beginning and end of each month which enter into the accounting for current receipts and utilization. Inventory is intended to include stocks on hand of bulk milk, skim milk, and cream and bottled milk and other fluid milk products designated as Class I milk. Manufactured products (Class II) on hand are not included in the inventory account because the milk used to produce such products will already have been accounted for as Class II milk. As previously indicated, handlers will need to keep stock records of such products but they will not be included in inventory for the purpose of accounting for current receipts.

It is concluded that inventory should be accounted for as Class II milk. If fluid milk products in inventory are accounted for as Class II milk at the end of a month, it will be necessary to provide a method to deal with the producer milk inventory which is used in the current month for Class I purposes but which the handler accounted for to producers as Class II milk at the end of the previous month. In plants which engage primarily in a fluid milk business, it is quite possible that a decrease in inventory in any given month may exceed their total utilization of milk in Class II. Handlers, at times, also use other source milk in their operations. Producer milk from inventory should have prior claim on Class I sales over current receipts of other source milk. This can be accomplished by considering the ending inventory in one month as a receipt in the following month and subtracting such receipt (under the allocation procedure) in series starting with Class II milk following the subtraction of other source milk. To the extent that opening inventory is allocated to Class I milk and there was an equivalent amount of producer milk classified in Class II milk in the previous month (after the allocation of other source milk) a reclassification charge should be made at the difference between the Class I price in the current month and the Class II price in the preceding month. This will promote equality in the cost of milk among handlers and returns to producers, irrespective as to whether or not such producer milk is from the previous month's ending inventory or is a current receipt.

Transfers. Classification of butterfat and skim milk used in the production of Class II items should be considered to have been established when the product is made. Classification of Class I milk should be established when the butterfat or skim milk is disposed of. However, since some Class I items may be disposed of to other milk plants for processing, separate classification procedures should be prescribed for transfers to other plants.

Milk, skim milk, cream or other products designated as Class I milk transferred by a handler to the fluid milk plant of another handler, except that of a producer-handler, should be classified as Class I milk unless both handlers indicate in their reports to the market administrator that they desire such milk to be classified as Class II milk. However, sufficient Class II utilization must be available at the transferee plant for such assignment after prior allocation of shrinkage and other source milk, as described below. On the other hand, if the transferring handler had other source milk during the month, the assignment of products transferred to another plant to the Class I utilization of such plant should be limited so that other source milk in the transferring handler's plant will not be allocated to Class I milk while at the same time producer milk is allocated to Class II milk in the transferee handler's plant.

Milk or skim milk transferred in bulk to a nonfluid milk plant located more than 225 miles distant is presumed to be used for Class I purposes. The costs involved in transporting milk or skim milk in fluid form such a distance are so large that it would not be economically feasible to move the milk for Class II disposition. Also there are adequate facilities for the manufacture of excess milk into Class II products within a radius of 225 miles. The automatic classification as Class I of milk or skim milk moved more than 225 miles will reduce the administrative expense which would otherwise be involved in having the market administrator verify actual utilization in nonfluid milk plants located at extreme distances from the market.

Cream presents a somewhat different problem since its value is so much greater in relation to its bulk that it may be transported long distances for manufacture. Accordingly, it is provided that cream may be Class II, even if moved to a nonfluid milk plant located more than 225 miles distant from a fluid milk plant if it is clearly labelled as manufacturing grade cream and if prior notice of the intended shipment is furnished to the market administrator.

The more common form of transfer to a nonfluid milk plant by Corpus Christi handlers is the movement of excess milk to nearby manufacturing plants. There may, of course, be sales to such plants for fluid purposes. It is provided that transfers of milk, skim milk, or cream from a fluid milk plant to a nonfluid milk plant located less than 225 miles distant be Class I unless Class II use is affirmatively established. Evidence of Class II use consists of a certification by the fluid milk plant operator that the transfer was intended for Class II use, and verification by the market administrator of the records made available by the nonfluid milk plant operator shows that the milk was not utilized for other than manufacturing purposes. If the nonfluid milk plant operator engages in a fluid milk business at his plant, any amount by which his Class I sales exceed receipts from dairy farmers which constitute his regular source of supply is assignable to the transferred milk.

Allocation. In view of the fact that the order class prices apply only to producer milk it is necessary, if a fluid milk plant has butterfat or skim milk other than that received in producer milk, to determine the quantities of milk in each class to be assigned to current receipts from producers. The milk of producers who are regularly engaged in supplying the market should be assigned the Class I utilization first. This is necessary to insure the stability of the classified pricing program of the order. If the order permitted handlers to obtain other source milk whenever it was advantageous to do so for Class I use while producer milk in the plant was utilized in Class II. it could not be effective in carrying out the purposes of the act. Also, the market would be deprived of a dependable supply of milk. The system of assigning utilization of milk to receipts from different sources which will carry out this objective is set forth in § 998.46 of the order.

Under this procedure, the skim milk and butterfat, respectively, remaining in each class is assigned to producer milk by making the following deductions from the gross utilization of each handler starting with Class II milk, except as otherwise noted;

- (1) Class II shrinkage of producer milk:
- (2) Other source milk as defined in § 998.16;
 - (3) Beginning inventory
- (4) Receipts from other handlers (according to classification),
 - (5) Overage.

Since uniform prices paid producers by each handler are to be calculated monthly, the assignment of utilization described above should be carried out with respect to all milk received during each month. To apply a shorter accounting period would place an accounting and reporting burden upon handlers and increase the cost of administering the order.

(c) Class prices. In order to stabilize marketing conditions, Class I prices should be established at a level which, together with appropriate Class II prices, will return blend prices to producers that will provide the market with a sufficient but not excessive supply of pure and wholesome milk.

The establishment of prices at a level that is too low will result in the production of insufficient milk to meet the Class I needs of the market. Conversely, production will be over-stimulated if prices are established at too high a level. The production of more milk than is required to satisfy the Class I demands would lead to the development of uneconomic reserves of Grade A milk and generally would tend to depress the price for all milk produced for the market.

Because of changing supply and demand conditions for milk both in the local market and throughout the country, it is necessary in order to maintain an appropriate balance between local supplies and sales, to provide a method for changing class prices to reflect such conditions. Pricing formulas which cause prices to change automatically with changes in market conditions should be applied in this market. This

method of pricing is in general use for the pricing of milk to farmers in federally regulated markets.

Class I prices. Producers proposed that the Class I price for the Corpus Christi marketing area be determined by adding stated differentials to the North Texas Class I price. The North Texas Class I price is computed by adding a differential to a basic formula price which measures the local and national values of milk used to manufacture the major dairy products. This Class I differential is \$2.00 per hundredweight during the months of March, April, May and June and \$2.20 during the remainder of the year. The prices resulting from these differentials are further subject to a supply-demand adjustment which automatically increases or decreases the price whenever receipts of milk from producers are below or above normal. respectively, in relation to Class I sales. The supply-demand adjustment is limited to a maximum of plus or minus 50 cents per hundredweight.

The Class I price under the Federal order for the San Antonio, Texas market is related to the North Texas price by providing that it cannot exceed the North Texas Class I price by more than 50 cents per hundredweight. This provision has been effective in determining the order price under the San Antonio. order in each month since it was incorporated in the order by amendment on February 1, 1954. The 50-cent differential reflects the fact that San Antonio is farther from the areas of regularly available supplemental supplies Grade A milk than the North Texas market which is centered in Dallas-Ft. Worth. The additional cost of transporting milk from available sources to San Antonio over those involved in supplying milk from such sources to Dallas-Ft. Worth approximates 50 cents per hundredweight. This rate also approximates the cost of moving milk from the North Texas area to San Antonio. The level of prices resulting from a pricing formula for the Corpus Christi market likewise should reflect additional cost of transporting milk to the Corpus Christi market as compared to such cost to the North Texas or San Antonio markets. It is concluded that an average annual level of prices which is approximately 68 cents above the North Texas price will reflect the cost of transporting bulk milk the additional distances involved. It is not possible to determine whether or not the proposed Class I prices will assure the development of a full year-round supply of locally produced Grade A milk. However, it is concluded that the proposed differential is in line with current economic conditions. A full supply of locally produced milk should be developed over a period of time only to the extent that it can be obtained at prices which are no higher than those for milk of acceptable quality and regularly available from the major dairy regions. If prices were established which exceeded the cost of supplies from alternative sources over any extended period of time. there would be an incentive for handlers to reduce their purchases from local producers and purchase milk from outside sources.

The method of adding a stated differential to basic or manufacturing milk prices should be adopted to establish the Class I price in the Corpus Christi market. Although it is important that the average annual level of prices in this market be maintained at a reasonable relationship with the level of prices prevailing in other regulated markets, it is not necessary that this relationship be constant in each month. It is desirable to have a pricing formula that is not based solely on prices prevailing in another regulated market. In case the other order were terminated, the pricing provisions of the proposed order would be nullified.

Seasonal Class I pricing was proposed by producers. It is desirable to have seasonal Class I differentials to provide an additional degree of automatic change in Class I prices to reflect seasonal differences in the cost of milk imported from other fluid milk markets. Furthermore, some means should be provided for encouraging producers to maintain as nearly a uniform supply of milk as is possible in all months of the year. The North Texas market relies principally upon a base rating plan to encourage a more uniform seasonal pattern of production. Most of the Corpus Christi handlers have utilized the base rating plan in the past but only to a very limited extent because receipts of milk from local producers have seldom exceeded market requirements. No base rating plan was proposed at the hearing. or recommended herein.

For the above stated reasons, the Class I price differentials to be added to the basic formula price should be \$2.35 during March, April, May and June, \$2.95 during July, August, December, January. and February and \$3.20 during September, October and November. This proposed seasonality in Class I pricing will offer an inducement to producers to produce milk at the season of the year when it is most needed by the market. It will serve to align prices with the cost of unregulated supplemental milk at least in part, and with the cost of milk from more distant regulated markets employing a relatively large degree of seasonal pricing. The cost of milk from these latter sources tends to be comparatively low in the spring months and comparatively high during the fall and winter months when production is low.

The proposed seasonal pattern of prices will result in seasonal differences between the Corpus Christi Class I price and Class I prices under other Federal orders in other Texas markets. This will not be important with respect to any handler who might distribute milk regularly in the Corpus Christi area from one of these other markets since the average annual differential will reflect the appropriate relationship between prices in the two markets.

The basic price formulas proposed in the attached order and which apply manufacturing milk and dairy product prices are identical with those contained in the North Texas order. They are similar to those applied in many other orders. These formulas are based on widely accepted quotations in the dairyindustry. The proposed basic prices are concluded to be appropriate to reflect general changes in the value of milk and manufactured products throughout the dairy industry.

The supply-demand adjustment provided in the North Texas order reflects production and sales conditions over a substantial portion of the State. Likewise, prices in several other Texas markets regulated by Federal orders or proposed to be regulated are directly related to the North Texas Class I price. At certain times, the North Texas area serves as a source of supplemental milk for other Texas areas. The Class I milk supplied to such other areas from the North Texas market is reflected in the supply-demand adjustment. Thus, the supply-demand adjustment not only reflects production changes in the North Texas area but it also indicates the availability of supplemental milk from this source. Therefore, in order that the desired average annual relationship of prices between the Corpus Christi market and the North Texas and other federally regulated markets in the State may be maintained, it is concluded that the supply-demand adjustment under the North Texas order should also be applied to the Corpus Christi Class I

Class II prices. The Class II price should be at such a level that handlers will accept and market whatever quantities of milk in excess of Class I needs as may arise from time to time. The price, however, should not be so low that handlers will be encouraged to procure milk supplies solely for the purpose of converting them into Class II products.

All products included in Class II milk may be made from unapproved milk. Approved milk which may be used in such products by regulated handlers should be praced at a level which is competitive with the cost of milk or milk ingredients that they may need for Class II products processed in conjunction with their fluid milk business.

It appears that only comparatively small quantities of producer milk will be utilized in the Class II products in the Corpus Christi market. During a few months immediately preceding the hearing some handlers found it necessary to dispose of some of the milk received from local producers to manufacturing plants. However, this was an unusual development and supplemental milk to fulfill local Class I requirements is normally purchased from other markets in several months of the year. Ice cream and cottage cheese are the most important outlets for the relatively small reserve supplies of milk in the marketing area.

During most months of the year, the Class II price should be equal to the average of prices paid for four percent milk at a representative list of Texas manufacturing plants or a butter-powder formula, whichever is higher. The butter-powder formula proposed herein is similar to that contained in other Federal orders in Texas. The butterfat value portion of the formula is computed by multiplying the price of 92-score butter at Chicago by 120 percent and the nonfat value is an average of the prices of spray and roller nonfat dry milk solids

f. o. b. plants in the Chicago area, multiplied by a factor of 8.16 per hundred pounds of four percent milk. An allowance equivalent to approximately 60 cents per hundredweight of milk is deducted from the prices of butter and skim milk in the computation of the Class II values.

More efficient utilization of Class II milk can be achieved by introducing a degree of seasonal variation into the Class II price. This can be accomplished by applying the above stated proposed formula prices during July through February and the prices paid by the Texas manufacturing plants during

March through June.

The average of the designated plant prices (Carnation Company, Sulphur Springs, Texas; The Borden Company, Mt. Pleasant, Texas; and Lamar Creamery, Paris, Texas) represent the minimum level of the Class II price at all times of the year. Manufacturing plants constitute the outlet for any supplies which local handlers are unable to use for the manufacture of cottage cheese, ice cream or other Class II products. Although there is only one manufacturing plant located in the Corpus Christi production area which is available as an outlet for Class II milk, the record shows that prices paid for milk by this plant have been considerably lower than prices paid by other Texas manufacturing plants and, therefore, cannot be considered as affording a representative price for Class II milk in this market. Obviously, it is necessary to include more than one plant in any Class II price formula. Although the above stated plants are not located adjacent to the Corpus Christi market milk manufacturing plants are competitive in the procurement of milk in comparatively large territories. These manufacturing plants represent one of the competitive sources of products for Class II usage. Moreover, the products they manufacture are sold basically on a national market. It appears, therefore, that the prices paid for milk at the above named plants constitute an appropriate measure of the competitive price for Class II milk in the Corpus Christi area during the spring and summer months. In other periods, prices paid at the designated plants are not representative of the cost of alternative sources of Class II products in the Corpus Christi market. At most times of the year, handlers will be able to utilize such Class II milk as as received from producers in ice cream, cottage cheese or other products manufactured in their own plants. It is concluded that the proposed Class II price arrangement will maximize returns to producers for this class of milk without impeding the orderly and efficient disposal of milk not needed for fluid use.

Butterfat differentials. As pointed out previously herein, butterfat and skim milk should be accounted for separately for classification purposes. Since it is concluded that the class prices should be established for milk containing 4.0 butterfat, it will be necessary to adjust Class I and Class II prices in accordance with the average test of milk in each class by a butterfat differential which

will reflect differences in the value of the milk due to variations in the butterfat content. The values resulting from multiplying the average price of 92-score butter of Chicago by 0.120 for Class I milk and by 0.110 for Class II milk will provide an appropriate basis for adjusting such prices in this market. These adjustments will reflect changes in the central market prices of butterfat. The Class II butterfat differential reflects the local value of butterfat in milk or cream utilized for manufacturing purposes in such products as butter and ice cream. The Class I butterfat differential reflects a somewhat higher value assigned to butterfat in milk, cream and other Class I uses. However, it will be noted that the major portion of the Class I price differential over manufacturing values is assigned to skim milk.

The use of butterfat differentials in this manner follows standard practices in most fluid milk markets for adjusting prices of milk of various butterfat contents. In order that the Class I butterfat differential may be announced early each month, it is provided that the Class I differential be based on the average price of butter in the preceding month. This will permit the announcement-of the Class I differential at the same time that the Class I price is announced.

The Class II price and butterfat differential will not be announced until after the end of the month. Handlers, however, will know that the price of such milk will follow the central market prices for butter and nonfat solids and the competitive price for manufacturing milk.

The butterfat differential to producers for milk containing more or less than 4.0 percent butterfat should correspond to the weighted average values of the butterfat and skim milk in producer milk utilized by handlers in Class I and Class II. This follows the same principle as the payment of a uniform price to all producers. Each producer shares equally in the total value of the handlers' Class I and Class II utilization, at the basic test of 4.0 percent butterfat. It is equally appropriate that each should receive the average utilization value of the butterfat and skim milk components for milk testing above or below 4.0 percent. It is probable that the weighted average will be only slightly below the Class I differential of 0.120 times the butter price because it will be heavily weighted by Class I use. The net result will, therefore, be close to the differential of 0.120 proposed by producers.

Location adjustments. In order to recognize the cost of moving Class I milk from distant plants which are regular sources of supply for the marketing area, it is necessary to establish the Class I price at plants located in the center of the marketing area and provide a schedule of location adjustments (deductions from the price of Class I milk) which will apply to milk received at regulated plants located at substantial distances from the central point. Corpus Christi is the primary center of population in the defined marketing area and the City Hall should be designated as a convenient point from which to measure the mileages to the regulated plants. From the

evidence presented at the hearing, it appears that each of the plants located within a 50-mile radius of the City Hall serve all or a major portion of the 7county marketing area and are on an equal competitive basis with each other. However, plants located more than 50 miles from the Corpus Christi City Hall incur substantial additional transportation costs in reaching the population center of the marketing area. A rate of adjustment of 1.7 cents for each 10 miles or a fraction thereof appears to be most appropriate. This rate approximates the cost of moving bulk tank milk from distant plants to the marketing area. The Class I price at a plant located in the North Texas or San Antonio-marketing areas will be substantially the same as the respective Class I prices for such areas. It is concluded that the location adjustment to handlers on milk disposed of for Class I purposes from plants lo-cated more than 50 miles from the Corpus Christi City Hall should be equal to 1.7 cents for each 10 miles or fraction thereof of the shortest highway distance, as determined by the market administrator, from the plant to the City Hall.

The uniform prices paid producers delivering milk to a plant to which Class I location differentials apply should, likewise, be reduced to reflect the lower value of such milk at the plant to which it is delivered.

(d) Distribution to producers of proceeds from the sale of milk—(1) Individual-handler pool. The individual-handler type of pool should be included in the order as a means of distributing to producers the proceeds from the sale of their milk.

The market-wide form of pooling was proposed by producers. Under the market-wide pool, all producers delivering milk to all fluid milk plants would receive uniform prices for all milk so delivered irrespective of the use made of such milk by the individual-handler to whom it is delivered. A proposal was made at the hearing for an individualhandler pool. Under the individual-handler pool, the producers supplying each of the regulated handlers would be paid a blend price based upon the proportion of the receipts of producer milk classified as Class I milk and Class II milk at the plant(s) of the particular handler receiving the milk. Under either type of pool, the uniform or blend prices, of course, are subject to location differentials and to adjustments for varying percentages of butterfat content. Producers may also be charged different rates for hauling their milk from the farm to the fluid milk plant. Such rates, however, are not established by the order.

Under the conditions existing in this area, the individual-handler pool will tend to result in optimum allocation of producer milk among handlers and in maximum returns to producers for their milk. The record indicates that no handler is carrying an undue proportion of the excess milk in order to supply other handlers with supplemental milk. Nearly all plants are engaged primarily in processing milk for fluid disposition. For this reason the blend or uniform prices received by producers from the different handlers will be substantially

the same. However, in case the receipts of producer milk by some handlers become maladjusted in relation to their fluid milk sales, a price incentive will obtain for producers to shift their deliveries to those handlers who are in need of additional milk.

In the past, the cooperative association has pooled the proceeds from the sale of milk of some of its members. The individual-handler pool will not interfere with the pooling or payment activities of a cooperative association. Provision is made for handlers to pay an authorized cooperative association, which so requests, the proceeds from the sale of milk supplied by its members. This provision should assist the cooperative association in carrying out a more effective pooling and payment plan than could be accomplished in the absence of regulation.

It was also proposed to safeguard a market-wide pooling arrangement and the classified pricing plan by equalization payments on all unpriced or other source milk which was disposed of as Class I milk in the marketing area.

Other proposals would exclude a plant from the pricing and pooling arrangements of the order if such plant disposed of less than a specified percentage of its sales on routes in the marketing area. The milk disposed of by plants not qualifying for pool plant status would be considered as other source milk. Under these proposals, handlers would be required to equalize with the market pool the difference between the cost of such unpriced milk and the order Class I price. This was to assure that the users of such milk would not have a competitive advantage over the handlers using producer milk exclusively for Class I sales. The problem of unpriced fluid milk, however, can best be dealt with under the circumstances of this market, by extending regulation to all plants which dispose of sufficient milk to be an effective competitive factor in the market.

3. Payments to individual producers. and to members of cooperative associations. Each handler should make payment to each producer for milk delivered by such producer at the appropriate uniform price on or before the 15th day of the month following receipt of the milk. Provision is made for partial payments on milk received during the first 15 days of the month on or before the 28th day of the month.

Payments due any producer for milk should be paid by the handler to a cooperative association if the cooperative association makes a written request for such payment and if the producer has given the cooperative association written authorization, in the form of a contract or in any other form, to collect such payments. The association's request should also provide to indemnify the handler for any loss incurred because of any improper claim.

Provision is made for handlers to make payments to a cooperative association two days in advance of the time the handler is required to make payments to individual producers in order that all producers will receive payment on approximately the same date.

In making such payments for producer milk to a cooperative association. the handler should at the same time furnish the cooperative association with a statement showing the name of each producer for whom payment is being made, the volume and average butterfat content of milk delivered by each such producer, and the amount of and reasons for any deductions which the handler withheld from the amount payable to each producer. This statement is necessary so the cooperative association can make proper distribution of the money to producers for whom it collects payment.

Unless a cooperative association can receive payment for the milk marketed on behalf of its producer-members, it cannot re-blend the sales proceeds from milk sold in various outlets. This important function is specifically provided for in the act. Such re-blending may be essential if it is necessary for the cooperative to divert milk to nonfluid milk plants.

(e) Other administrative provisions. In addition to those provisions herein determined to be appropriate, certain other provisions should be contained in the order to carry out, from an administrative viewpoint, the purposes of the regulation. Certain terms and definitions are desirable in the interest of brevity and to assure that the usage of a term always implies the same meaning. The terms that are defined in the proposed order are common to many other Federal milk orders. Provision should be made for the appointment by the Secretary of a market administrator to administer the order and to set forth the powers and duties for such agent.

Records and reports. Provisions should be included in the order for the purpose of requiring handlers to maintain adequate records of their operations and to make certain reports as may be required by the market administrator. Certain time limits must be prescribed for filing such reports and for making payments to producers. Dates must also be established for the announcement of prices by the market administrator. The following schedule will afford interested parties sufficient time to perform the functions as ındicated below.

Day of month and function, 6th Announcement by market administrator of Class I price and butterfat differential for the current month and Class II price and butterfat differential for preceding month.

7th Submission by handlers monthly report of receipts and utilization for preceding month.

12th Announcement by market administrator of uniform price for each handler and notification to handlers of value for their producer milk received during the preceding month.

13th Payments by handlers to cooperative associations for milk received during the preceding month.

15th Final payments by handlers to individual-producers for milk received during preceding month and payments to market administrator for administrative assessment and marketing service deductions.

20th Submission of producer payroll report by handlers for preceding month. 26th Partial payments by handlers to cooperative associations.

28th Partial payments by handlers to

individual producers.

Handlers should maintain and make available to the market administrator all records and accounts of their operations, and such facilities as are necessary to determine the accuracy of the information, submit such reports to the market administrator as he may deem necessary and furnish to him or his representative any other information upon which the classification of producer milk depends. The market administrator must likewise be permitted to check the accuracy of weights and tests of milk and milk products received and handled and to verify all payments required under the order.

Provision should be made for handlers to notify the market administrator of their intention to divert producer milk. Information such as this, on a marketwide basis, may help handlers to locate local sources of producer milk and thereby to expedite transfers of such milk

among handlers.

It is necessary that handlers retain records to prove the utilization of the milk received from, and that proper payments were made to, producers. Since the books of all handlers associated with the market cannot be audited immediately after the milk has been delivered to a plant, it is necessary that such records be kept for a reasonable period of time.

The order should provide for specific limitations of the time that handlers should be required to retain their books and records and the period of time in which obligations under the order should terminate. Provision made in this regard is identical in principle with the general amendment made to all milk orders in operation on July 30, 1947 following the Secretary's decision of January 26, 1949 (14 F R. 444) That decision covering the retention of records and limitation of claims is equally applicable in this situation and is adopted as a part of this decision.

Expense of administration. Each handler should be required to pay the market administrator, as the handler's pro rata share of the cost of administering the order, not more than five cents per hundredweight, or such lesser amounts as the Secretary may from time to time prescribe, on (a) receipts of producer milk (including such handler's own production), (b) other source milk in a fluid milk plant which is classified as Class I milk, and (c) Class I milk disposed of through routes in the marketing area from a nonfluid plant other than a plant which is subject to the payment provisions of another Federal order.

The market administrator must have sufficient funds to enable him to administer properly the terms of the order. The act provides that such cost of administration shall be financed through an assessment on handlers. One of the duties of the market administrator is to verify the receipts and disposition of milk from all sources. The record indicates that other source milk is received by handlers to supplement local producer supplies of milk. Equity in sharing the cost of administration of the order among handlers will be achieved, therefore, by applying the administrative assessment to all producer milk (including handler's own production) and other source milk allocated to Class I

In view of the anticipated volume of milk and the cost of administering orders in markets of comparable circumstances, it is concluded that an initial rate of five cents per hundredweight is necessary to meet the expenses of administration. Provision should be made to enable the Secretary to reduce the rate of assessment below the five cents per hundredweight maximum without necessitating an amendment to the order. This should be done at any time experience in the market reveals that a lesser rate will produce sufficient revenue to administer the order properly.

Marketing services. A provision should be included in the order for furnishing marketing services to producers such as verifying tests and weights of milk and furnishing market information. These should be provided by the market administrator and the cost should be borne by the producer receiving the service. If a cooperative association is performing such services for any member-producers and is approved for such activities by the Secretary, the market administrator may accept this in lieu of his own service.

There is need for a marketing service program in connection with the administration of an order in this area. Orderly marketing will be promoted by assuring individual producers that payments received for their milk are based on the pricing provisions of the order, and reflect accurate weights and tests of such milk. To accomplish this fully, it is necessary that the butterfat tests and weights of individual producer deliveries of milk as reported by the handler be verified for accuracy.

An important phase of the marketing service program is to furnish producers with correct market information. As previously discussed, detailed information regarding market conditions is not now regularly available either to producers or to cooperative associations. Efficiency in the production, utilization and marketing of milk will be promoted by the dissemination of current information on a market-wide basis to all producers.

To enable the market administrator to furnish such services, provision should be made for a maximum deduction of six cents per hundredweight with respect to receipts of milk from producers for whom he renders marketing services. If later experience indicates that marketing services can be performed at a lesser rate, provision is made for the Secretary to adjust the rate downward without the. necessity of a hearing.

General findings: (a) The proposed marketing agreement and the order and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act:

(b) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds and other economic conditions which affect market supply of and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(c) The proposed order will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

Rulings on proposed findings and conclusions. Written arguments and proposed findings and conclusions submitted on behalf of interested persons were considered, along with the evidence in the record, in making the findings and reaching the conclusions herein set forth. To the extent that the proposed findings and conclusions differ from the findings and conclusions contained herein, the specific or implied requests to make such findings are denied because of the reasons stated in support of the findings and conclusions in this decision.

Recommended marketing agreement and order The following order is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be identical with those contained in the

DEFINITIONS

§ 998.1 Act. "Act" means Public Act No. 10, 73d Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S. C. 601 et seq.)

§ 998.2 Secretary. "Secretary" means the Secretary of Agriculture of the United States or any other officer or employee of the United States authorized to exercise the powers or to perform the duties of the said Secretary of Agriculture.

§ 998.3 Department of Agriculture. "Department of Agriculture" means the United States Department of Agriculture or any other Federal agency authorized to perform the price reporting functions specified in this part.

§ 998.4 Person. "Person" means any individual, partnership, corporation, association, or other business unit.

§ 998.5 Cooperative association. "Cooperative association" means any cooperative marketing association which the Secretary determines, after application by the association:

(a) To be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act"; and(b) To have full authority in the sale

of milk of its members and to be engaged

in making collective sales of or marketing milk or its products for its members.

§ 998.6 Corpus Christi, Texas, Marketing Area. "Corpus Christi, Texas, Marketing Area," hereinafter called the "marketing area," means all the territory within the Counties of Nueces, Jim Wells, Kleberg, Brooks, Duval, Live Oak and San Patricio.

§ 998.7 Distributing plant. "Distributing plant" means any milk processing or packaging plant from which Class I milk equal to more than three percent of the Grade "A" milk and skim milk received from dairy farmers and other plants, or an average of 1,000 or more pounds of Class I milk per day, whichever is less, is disposed of during the month through a route(s) in the marketing area.

§ 998.8 Supply plant. "Supply plant" means any plant from which fluid milk, or fluid skim milk is received at a distributing plant:

(a) For any of the months of February through July, on four or more days during the month, or in an amount equal to a daily average of not less than 3,300 pounds for such month; and

(b) For each of the months of August through January

(1) On ten or more days during the month, or in an amount equal to a daily average of not less than 8,300 pounds for such month; or

(2) On four or more days during the month, or in an amount equal to a daily average of not less than 3,300 pounds for such month, and such plant was a supply plant pursuant to paragraph (a) of this section during any month of the immediately preceding period of February through July.

§ 998.9 Fluid milk plant. "Fluid milk plant" means a distributing plant or a supply plant.

§ 998.10 Nonfluid milk plant. "Nonfluid milk plant" means any milk manufacturing, processing, or bottling plant other than a fluid milk plant.

§ 998.11 Approved plant. "Approved plant" means: (a) A fluid milk plant and (b) any milk plant from which Class I milk is disposed of on a route in the marketing area.

§ 998.12 Handler. "Handler" means any person in his capacity as the operator of one or more approved plants.

§ 998.13 Route. "Route" means the operation of a vehicle or a plant store (including those operated by a vendor) through which milk, skim milk, buttermilk, cream or flavored milk drinks are disposed of in the marketing area.

"Producer" § 998.14 Producer. means any person except a producerhandler, who produces milk in compliance with Grade A inspection requirements of a duly constituted health authority, which milk is (a) received at a fluid milk plant or (b) diverted for his account by the operator of a fluid milk plant from such plant to a nonfluid milk plant during any of the months of March through July Provided, That milk so diverted shall be deemed to have been received by the diverting handler at the plant from which it was diverted.

§ 998.15 Producer milk. "Producer milk" means all skim milk and butterfat contained in milk produced by a producer and received at a fluid milk plant directly from producers or diverted from such a plant pursuant to § 998.14.

§ 998.16 Other source milk. "Other source milk" means all skim milk and butterfat contained in:

- (a) Receipts during the month in the form or products designated as Class I milk pursuant to § 998.41 (a) (1) except (1) such products received from other fluid milk plants, and (2) producer milk; and
- (b) Products designated as Class II milk pursuant to § 998.41 (b) (1) from any source (including those produced at the plant) which are reprocessed or converted into another product during the month.

§ 998.17 Producer-handler "Producer-handler" means any person who produces milk and operates an approved plant but who receives no milk from other dairy farmers and disposes during the month of less than a daily average of 3,300 pounds of Class I milk as defined pursuant to § 998.41 (a) (1) through a route(s) in the marketing area.

§ 998.18 Chicago butter price. "Chicago butter price" means the simple average, as computed by the market administrator, of the daily wholesale selling prices (using the midpoint of any price range as one price) per pound of 92-score bulk creamery butter at Chicago as reported during the month by the Department of Agriculture.

MARKET ADMINISTRATOR

§ 998.20 Designation. The agency for the administration of this part shall be a market administrator, selected by the Secretary, who shall be entitled to such compensation as may be determined by, and shall be subject to removal at the discretion of the Secretary.

§ 998.21 Powers. The market administrator shall have the following powers with respect to this part:

(a) To administer its terms and provisions:

(b) To receive, investigate, and report to the Secretary complaints of violations:

tions;
(c) To make rules and regulations to effectuate its terms and provisions; and (d) To recommend amendments to

(d) To recommend amendments to the Secretary.

§ 998.22 Duties. The market administrator shall perform all duties necessary to administer the terms and provisions of this part, including but not

limited to the following:

(a) Within 45 days following the date on which he enters upon his duties or such lesser period as may be prescribed by the Secretary, execute and deliver to the Secretary a bond, effective as of the date on which he enters upon such duties and conditioned upon the faithful performance of such duties, in an amount and with surety thereon satisfactory to the Secretary:

(b) Employ and fix the compensation of such persons as may be necessary to enable him to administer its terms and provisions:

(c) Obtain a bond in a reasonable amount and with reasonable surety thereon covering each employee who handles funds entrusted to the market administrator.

(d) Pay out of the funds provided by § 998.85 the cost of his bond and of the bonds of his employees, his own compensation, and all other expenses (except those incurred under § 998.84) necessarily incurred by him in maintenance and functioning of his office and in the performance of his duties;

(e) Keep such books and records as will clearly reflect the transactions provided for in this part, and upon request by the Secretary, surrender the same to such other person as the Secretary may designate;

(f) Submit his books and records to examination by the Secretary and furnish such information and reports as may be requested by the Secretary.

(g) Verify all reports and payments of each handler by audit of such handler's records and the records of any other handler or person upon whose disposition of milk such handler claims classification of skim milk and butterfat and by such investigation as the market administrator deems necessary.

(h) Publicly announce, at his discretion, unless otherwise directed by the Secretary by posting in a conspicuous place in his office and by such other means as he deems appropriate, the name of any person who, after the date upon which he is required to perform such acts, has not made reports pursuant to § 998.30 to § 998.32, inclusive, or payments pursuant to § 998.80 to § 998.83, inclusive:

(i) Publicly announce, by posting in a conspicuous place in his office and by such other means as he deems appropriate, and notify each handler in writing:

(1) On or before the 6th day of each month, the minimum price for Class I milk computed pursuant to § 998.51 (a) and the Class I butterfat differential computed pursuant to § 998.52 (a) both for the current month, and the minimum price for Class II milk computed pursuant to § 998.51 (b) and the Class II butterfat differential computed pursuant to § 998.52 (b), both for the previous month; and

(2) On or before the 12th day after the end of each month the uniform price for each handler computed pursuant to § 998.72 and the butterfat differential computed pursuant to § 998.81,

(j) On or before the 12th day after the end of each month, mail to each handler at his last known address, a statement showing for such handler the amount and value of producer milk in each class and the totals thereof; and

(k) Prepare and make available for the benefit of producers, consumers, and handlers such general statistics and such information concerning the operations hereof as are necessary and essential to the proper functioning of this part.

§ 998.30 Reports, records and facilities. On or before the 7th day after the end of each month, each handler, except a producer-handler, shall report to the market administrator in the detail and on forms prescribed by the market administrator for each of his approved plants as follows:

(a) The quantities of skim milk and butterfat contained in producer milk;

(b) The quantities of skim milk and butterfat contained in products designated as Class I milk pursuant to § 998.41 (a) received from fluid milk plants of other handlers;

(c) The quantities of skim milk and

butterfat in other source milk;

(d) The quantities of skim milk and butterfat contained in inventories of products designated as Class I milk pursuant to § 998.41 (a) on hand at the beginning and end of the month;

(e) The utilization of all skim milk and butterfat required to be reported pursuant to this section including a statement of the disposition of Class I milk outside the marketing area; and

(f) Such other information with respect to receipts and utilization as the market administrator may prescribe.

§ 998.31 Payroll reports. On or before the 20th day of each month each handler, except a producer-handler, shall submit to the market administrator his producer payroll for deliveries of milk for the preceding month for each of his fluid milk plants which shall show for each producer:

(a) His name and address:

(b) The total pounds and the average butterfat test of milk received; and

(c) Net amount of such handler's payment, together with the price(s) paid and the nature and amount of any deductions.

§ 998.32 Other reports. (a) Each producer-handler shall make reports to the market administrator at such time and in such manner as the market administrator may prescribe;

(b) Each handler who causes milk to be diverted for his account directly from producers' farms to a nonfluid milk plant shall, prior to such diversion, report to the market administrator and to the cooperative association of which such producer is a member his intention to divort such milk, the proposed date or dates of such diversion, and the plant to which such milk is to be diverted.

§ 998.33 Records and facilities. Each handler shall maintain and make available to the market administrator or to his representative during the usual hours of business such accounts and records of his operations and such facilities as are necessary for the market administrator to verify or establish the correct data with respect to:

(a) The receipts and utilization of producer milk and other source milk:

(b) The weights and tests for butterfat and other content of all milk, skim milk, cream and other milk products handled:

(c) The pounds of skim milk and butterfat contained in or represented by all milk, skim milk, cream and milk products on hand at the beginning and end of each month; and (d) Payments to producers and cooperative associations including any deductions authorized by producers and disbursement of money so deducted;

§ 998.34 Retention of records. books and records required under this subpart to be made available to the market administrator shall be retained by the handler for a period of three years to begin at the end of the month to which such books and records pertain: Provided, That if, within such three-year period, the market administrator notifies the handler in writing that the retention of such books and records is necessary in connection with a proceeding under section 8c (15) (A) of the act or a court action specified in such notice the handler shall retain such books and records, or specified books and records, until further written notification from the market administrator. In either case, the market administrator shall give further written notification to the handler promptly upon the termination of the litigation or when the records are no longer necessary in connection therewith.

CLASSIFICATION

§ 998.40 Skim milk and butterfat to be classified. All skim milk and butterfat at fluid milk plants which is required to be reported for the month pursuant to § 998.30, shall be classified by the market administrator pursuant to the provisions of §§ 998.41 to 998.46 inclusive

§ 998.41 Classes of utilization. Subject to the conditions set forth in §§ 998.43 and 998.44, the classes of utili-

zation shall be as follows:

- (a) Class I milk. Class I milk shall be all skim milk (including reconstitued skim milk) and butterfat (1) disposed of in fluid form as milk, skim milk, buttermilk, flavored milk drinks, cream, cultured sour cream, any mixture of cream and milk or skim milk (other than frozen storage cream, aerated cream products, eggnog, ice cream, ice cream mix or other frozen mixes, evaporated or condensed milk and milk products contained in hermetically sealed containers) and (2) not accounted for as Class II milk.
- (b) Class II milk. Class II milk shall be all skim milk and butterfat:
- (1) Used to produce any product other than those designated as Class I milk pursuant to paragraph (a) of this section;
- (2) Disposed of and used for livestock feed:
- (3) Contained in inventory of milk and milk products designated as Class I milk pursuant to paragraph (a) (1) of this section on hand at the end of the month; and
- (4) In shrinkage not to exceed 2 percent (5 percent with respect to skim milk during the months of April, May and June) of skim milk and butterfat, respectively, in producer milk and other source milk.

§ 998.42 Shrinkage. The market administrator shall assign shrinkage at the fluid milk plant(s) of each handler as follows:

(a) Compute the shrinkage at the fluid milk plant(s) of each handler as follows:

 (a) Compute the shrinkage of skim milk and butterfat classified as Class II milk; and

(b) Assign the amounts pro rata to the handler's receipts of skim milk and butterfat, respectively, in producer milk and in other source milk.

§ 998.43 Responsibility of handlers and reclassification of milk. (a) All skim milk and butterfat shall be Class I milk unless the handler who first receives such skim milk or butterfat can prove to the market administrator that such skim milk or butterfat should be classified as Class II milk:

(b) Any skim milk or butterfat shall be reclassified if verification by the market administrator discloses that the origmal classification was incorrect.

§ 998.44 Transfers. Skim milk or butterfat disposed of each month from a fluid milk plant shall be classified:

- (a) As Class I milk, if transferred in the form of products designated as Class I milk in § 998.41 (a) (1) to a fluid milk plant of another handler, except a producer-handler, unless utilization as Class II milk is claimed by both handlers in their reports submitted for the month to the market administrator pursuant to § 998.30: Provided, That the skim milk or butterfat so assigned to Class II milk shall be limited to the amount thereof remaining in Class II milk in the plant of the transferee-handler after the subtraction of other source milk pursuant to § 998.46 (a) (3) and (b) and any additional amounts of such skim milk or butterfat shall be classified as Class I milk: And provided further, That if either or both handlers have other source milk as defined pursuant to § 998.16 (a) during the month, the skim milk or butterfat so transferred shall be classified at both plants so as to allocate the greatest possible Class I utilization to the producer milk of both handlers;
- (b) As Class I milk, if transferred to a producer-handler in the form of products designated as Class I milk in § 998.41
- (a) (1),

 (c) As Class I milk, if transferred or diverted in the form of milk, skim milk or cream in bulk to a nonfluid milk plant located more than 225 miles distant by the shortest highway distance as determined by the market administrator, except that cream so transferred may be classified as Class II milk if notice is given to the market administrator at least 24 hours prior to shipment, each container is labeled by the transferor as "ungraded cream for manufacturing only" and such shipment is so involced;

(d) As Class I milk, if transferred or diverted in the form of milk, skim milk or cream in bulk to a nonfluid milk plant located not more than 225 miles distant by the shortest highway distance as determined by the market administrator, unless the following conditions are met:

(1) The transferring-handler claims Class II utilization in a product specified in § 998.41 (b). (2) The operator of such nonfluid milk plant keeps adequate books and records showing the utilization of all skim milk and butterfat received at such plant and the market administrator is permitted to examine such books and records for the purpose of verification; and

(3) The Class I milk, as defined pursuant to § 998.41 (a) in such nonfluid milk plant does not exceed the receipts of skim milk and butterfat in milk received during the month from darry farmers, who the market administrator determines, constitute the regular source of supply for such plant: Provided, That any Class I milk in excess of receipts from such dairy farmers shall be assigned to milk, skim milk, or cream so transferred or diverted.

§ 998.45 Computation of the skim milk and butterfat in each class. For each month, the market administrator shall correct for mathematical and for other obvious errors the reports of recelpts and utilization for the fluid milk plant(s) of each handler and shall compute the pounds of butterfat and skim milk in Class I milk and Class II milk for such handler: Provided, That if any of the water contained in the milk from which a product is made is removed before the product is utilized or disposed of by a handler, the pounds of skim milk disposed of in such product shall be considered to be an amount equivalent to the nonfat milk solids contained in such product, plus all of the water originally associated with such solids.

§ 998.46 Allocation of skim milk and butterfat classified. After making the computations pursuant to § 998.45 the market administrator shall determine the classification of producer milk received at the fluid milk plant(s) of each handler each month as follows:

(a) Skim milk shall be allocated in

the following manner:

(1) Subtract from the total pounds of skim milk in Class II milk the pounds of skim milk assigned to producer milk pursuant to § 998.42 (b)

(2) Subtract from the remaining pounds of skim milk in series beginning with Class II milk, the pounds of skim milk in other source milk as defined pursuant to § 998.16;

(3) Subtract from the remaining pounds of skim milk in series beginning with Class II milk, the pounds of skim milk contained in inventory on hand at the beginning of the month and classified pursuant to § 998.41 (b) (3)

(4) Subtract from the remaining pounds of skim milk in each class the skim milk contained in products designated as Class I milk in § 998.41 (a) (1) received from the fluid milk plants of other handlers, according to the classification of such skim milk as determined pursuant to § 998.44 (a),

(5) Add to the remaining pounds of skim milk in Class II milk the pounds of skim milk subtracted pursuant to subparagraph (1) of this paragraph; and

(6) If the remaining pounds of skim milk in both classes exceed the pounds of skim milk contained in producer milk, subtract such excess from the remaining pounds of skim milk in series beginning

with Class II milk. Any amount so subtracted shall be known as "overage."

(b) Butterfat shall be allocated in accordance with the same procedure outlined for skim milk in paragraph (a) of this section;

(c) Determine the weighted average butterfat content of the Class I and Class II milk allocated to producer milk.

MINIMUM PRICES

§ 998.50 Basic formula price. The basic formula price to be used in determining the price per hundredweight of Class I milk shall be the highest of the prices computed, pursuant to paragraphs (a) (b) and (c) of this section rounded to the nearest one-tenth cent.

(a) The average of the basic or field prices per hundredweight reported to have been paid or to be paid for milk of 3.5 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department of Agriculture, divided by 3.5 and multiplied by 4.0.

Present Operator and Location

Borden Co., Mount Pleasant, Mich. Carnation Co., Sparta, Mich. Pet Milk Co., Hudson, Mich. Pet Milk Co., Wayland, Mich. Pet Milk Co., Coopersville, Mich. Borden Co., Orfordville, Wis. Borden Co., New London, Wis. Carnation Co., Richland Center, Wis. Carnation Co., Oconomowoc, Wis. Pet Milk Co., New Glarus, Wis. Pet Milk Co., Belleville, Wis. White House Milk Co., Manitowoc, Wis. White House Milk Co., West Bend, Wis.

(b) The price per hundredweight computed by adding together the plus values of subparagraphs (1) and (2) of this paragraph:

(1) From the Chicago butter price, subtract 3 cents, add 20 percent thereof, and multiply by 4.0.

(2) From the simple average as computed by the market administrator of the weighted averages of carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f. o. b. manufacturing plants in the Chicago area, as published for the period from the 26th day of the preceding month through the 25th day of the current month by the Department of Agriculture, deduct 5.5 cents, multiply by 8.5, and then multiply by 0.96.

(c) The average of the basic or field prices per hundredweight reported to have been paid or to be paid for ungraded milk of 4.0 percent butterfat content received from farmers during the month at the following plants or places for which prices have been reported to the market administrator or to the Department of Agriculture.

Present Operator and Location

Carnation Co., Sulphur Springs, Tex. The Borden Co., Mount Pleasant, Tex. Lamar Creamery, Paris, Tex.

§ 998.51 Class prices. Subject to the provisions of § 998.52 and § 998.53, the minimum prices per hundredweight to be paid by each handler for milk received at his fluid milk plant from pro-

ducers during the month shall be as follows:

(a) Class I milk price. The Class I milk price shall be the basic formula price as determined pursuant to § 998.50, plus the following amount:

Month: Amount
March, April, May and June \$2.35
July, August, December, January
and February 2.95
September, October and November 3.20

Provided, That the above amounts shall be increased or decreased, respectively, by the same amount as any increase or decrease respectively, provided by the supply-demand adjustment determined pursuant to Order No. 43 regulating the handling of milk in the North Texas marketing area.

(b) Class II milk price. The minimum price per hundredweight to be paid by each handler for producer milk received at his fluid milk plans and classified as Class II milk shall be the price computed pursuant to subparagraph (1) of this paragraph for the months of March, April, May and June; and for each of the other months the price computed pursuant to subparagraph (1) of this paragraph or the price computed pursuant to subparagraph (2) of this paragraph, whichever is higher:

(1) The average of the basic or field price reported to have been paid or to be paid for ungraded milk of 4.0 percent butterfat content received from dairy farmers at the following plants or places for which prices have been reported to the market administrator or to the Department:

Carnation Co., Sulphur Springs, Tex. The Borden Co., Mount Pleasant, Tex. Lamar Creamery, Paris, Tex.

(2) The sum of the plus values computed as follows:

(i) Subtract 3 cents from the Chicago butter price, add 20 percent thereof, and multiply by 4.0.

(ii) From the simple average, as computed by the market administrator, of the weighted averages of carlot prices per pound for nonfat dry milk solids, spray and roller process, respectively, for human consumption, f. o. b., manufacturing plants in the Chicago area, as published for the period from the 26th day of the preceding month through the 25th day of the current month by the Department of Agriculture, deduct 5.5 cents, multiply by 8.16.

§ 998.52 Butterfat differential to handlers. For milk containing more or less than 4 percent butterfat, the class prices pursuant to § 998.51 shall be increased or decreased, respectively, for each one-tenth of one percent butterfat by the appropriate rate, rounded in each case to the nearest one-tenth cent, determined as follows:

(a) Class I milk. Multiply the Chicago butter price for the preceding month by 0.120;

(b) Class II milk. Multiply the Chicago butter price for the current month by-0.110.

§ 998.53 Location adjustments to handlers. For milk which is received from producers at a fluid milk plant located more than 50 miles, by shortest highway

distance, as determined by the market administrator, from the City Hall in Corpus Christi and classified as Class I milk, the price shall be the price effective pursuant to § 998.51 (a) less 1.7 cents for each 10 miles or fraction thereof to such plant from the City Hall.

APPLICATION OF PROVISIONS

§ 998.60 Producer-handlers. Sections 998.40 through 998.46, 998.50 through 998.53, 998.70 through 998.72 and 998.80 through 998.86 shall not apply to a producer-handler.

§ 998.61 Plants subject to other Federal orders. (a) An approved plant will be considered to be a non-fluid milk plant during the month for the purpose of this part if (1) a larger volume of Class I milk is disposed of from such plant in the marketing area of another order issued pursuant to the act than is (i) distributed in the Corpus Christi marketing area to wholesale or retail outlets (other than to a distributing plant(s)) during the month, or (ii) furnished to a distributing plant(s) in each of the preceding months of September through December and (2) such plant would be subject to regulation pursuant to such order.

(b) The operator of such approved plant shall, with respect to the total receipts and utilization or disposition of skim milk and butterfat at the plant, make reports to the market administrator at such time and in such manner as the market administrator may require in lieu of the reports required pursuant to § 998.30 and allow verification of such reports by the market administrator.

DETERMINATION OF UNIFORM PRICE

§ 998.70 Net obligation of handlers. The net obligation of each handler for producer milk received at his fluid milk plant(s) during each month shall be a sum of money computed by the market administrator as follows:

(a) Multiply the pounds of such milk in each class by the applicable class price and add together the resulting amounts;

(b) Add the amount computed by multiplying the pounds of overage deducted from each class pursuant to \$998.46 (a) (6) and the corresponding step of \$998.46 (b) by the applicable class price;

(c) Add an amount computed as follows:

(1) Determine the pounds if any, that the skim milk or butterfat in inventory, subtracted from Class I milk pursuant to § 998.46 (a) (3) and the corresponding step of § 998.46 (b) is not in excess of the pounds in producer milk classified as Class II milk (other than as shrinkage) for the preceding month; and (2) multiply such pounds by the difference between the Class I price in the current month and the Class II price in the preceding month adjusted by the appropriate butterfat differentials;

(d) Add or subtract, as the case may be, an amount necessary to correct errors discovered by the market administrator in the verification of reports of such handler of his receipts and utilization of skim milk and butterfat for previous months.

§ 998.71 Computation of aggregate value used to determine uniform prices. For each month the market administrator shall compute an aggregate value for each handler from which to determine the uniform price per hundredweight for producer milk of 4.0 percent butterfat content as follows:

(a) Add to the amount computed pursuant to § 998.70 the total value of the location differential pursuant to § 998.80

(b) or.(c)

(b) Add or subtract for each one-tenth percent that the average butterfat content of producer milk received by such handler is less or more, respectively, than 4.0 percent, an amount computed by multiplying such difference by the butterfat differential to producers, as determined pursuant to § 998.81 and multiplying the result by the total hundredweight of producer milk; and

(c) Add the amount represented by any deductions made for eliminating fractions of a cent in computing the uniform price for such handler for the pre-

ceding month.

§ 998.72 Computation of uniform prices for handlers. The market administrator shall compute a uniform price for producer milk received by each handler as follows: Divide the aggregate value computed pursuant to § 998.71 by the total hundredweight of producer milk received by such handler. The result, less any fraction of a cent. shall be known as the uniform price for such handler for milk of 4.0 percent butterfat content, at a fluid milk plant in the marketing

PAYMENTS

§ 998.80 Payments to producers. Except as provided in paragraph (c) of this section, each handler shall make payment to each producer for milk received from such producers as follows:

(a) On or before the 28th day of each month, for milk received during the first 15 days of the month at not less than the Class II price for the preceding

month:

- (b) On or before the 15th day after the end of each month, for milk received during such month, an amount computed at not less than the uniform price per hundredweight pursuant to § 998.72 subject to the butterfat differential computed pursuant to § 998.81 and the location differential computed pursuant to § 998.82; plus or minus adjustments for errors made in previous payments to such producers; and less (1) payment made pursuant to paragraph (a) of this section, (2) marketing service deductions pursuant to § 998.84 and (3) proper deductions authorized by such producer;
- (c) (1) Upon receipt of a written request from a cooperative association which the market administrator determines is authorized by its members to collect payment for their milk and receipt of a written promise to reimburse the handler the amount of any actual loss incurred by him because of any improper claim on the part of the cooperative association each handler shall pay to the cooperative association on or

before the 13th and 26th day of each month, in lieu of payments pursuant to paragraphs (a) and (b) respectively, of this section an amount equal to the sum of the individual payments otherwise payable to such producers. The foregoing payment shall be made with respect to milk of each producer whom the cooperative association certifies is a member effective on and after the first day of the calendar month next following receipt of such certification through the last day of the month next preceding receipt of notice from the cooperative association of a termination of membership or until the original request is rescinded in writing by the cooperative association.

(2) A copy of each such request, promise to reimburse and certified list of members shall be filed simultaneously with the market administrator by the cooperative association and shall be subject to verification at his discretion, through audit of the records of the cooperative association pertaining thereto. Exceptions, if any, to the accuracy of such certification by a producer claimed to be a member, or by a handler, shall be made by written notice to the market administrator and shall be subject to his determination.

(d) In making the payments to producers pursuant to paragraphs (b) and (c) of this section, each handler shall furnish each producer or cooperative association from whom he has received milk with a supporting statement which shall show for each month:

(1) The month and the identity of the handler and of the producer;

(2) The total pounds and the average

butterfat content of milk received from such producer;

(3) The minimum rate or rates at

which payment to such producer is required pursuant to this part; (4) The rate which is used in making

the payment if such rate is other than the applicable minimum rate:

(5) The amount or the rate per hundredweight and nature of each deduction claimed by the handler; and

(6) The net amount of payment to such producer.

§ 998.81 Butterfat differential to producers. The applicable uniform prices to be paid pursuant to § 998.80 to producers delivering milk to each handler shall be increased or decreased for each one-tenth of one percent which the butterfat content of his milk is above or below 4.0 percent, respectively, by a butterfat differential equal to the average of the butterfat differentials determined pursuant to paragraphs (a) and (b) of § 998.52, weighted by the pounds of butterfat in producer milk in each class and the result rounded to the nearest tenth

§ 998.82 Location differential to producers. In making payment to producers pursuant to § 998.80, the uniform price to be paid for producer milk received at a fluid milk plant located more than 50 miles from the City Hall in Corpus Christi shall be such price computed pursuant to § 998.72 less 1.7 cents

for each 10 miles or fraction thereof to such plant by shortest highway distance from the City Hall in Corpus Christi as determined by the market administrator.

§ 998.83 Adjustment of accounts. Whenever audit by the market administrator of any handler's reports, books, records, or accounts, or verification of weights and butterfat tests of milk or milk products discloses errors resulting in money due a producer or the market administrator from such handler or due such handler from the market administrator, the market administrator shall notify such handler of any amount so due, and payment thereof shall be made on or before the next date for making payments, as set forth in the provisions under which such error occurred.

§ 998.84 Marketing services. Except as set forth in paragraph (b) of this section, each handler, in making payments to producers for milk (other than milk of his own production) pursuant to § 998.80, shall deduct 6 cents per hundredweight, or such amount not exceeding 6 cents per hundredweight, as may be prescribed by the Secretary, and shall pay such deductions to the market administrator on or before the 15th day after the end of the month. Such money shall be used by the market administrator to provide market information and to check the accuracy of the testing and weighing of their milk for producers who are not receiving such service from a cooperative association;

(b) In the case of producers who are members of a cooperative association which the Secretary has determined is actually performing the services set forth in paragraph (a) of this section, each handler shall make, in lieu of the deduction specified in paragraph (a) of this section, such deductions from the payments to be made to such producers as may be authorized by the membership agreement or marketing contract between such cooperative association and such producers on or before the 13th day after the end of each month and pay such deductions to the cooperative association of which such producers are members, furnishing a statement showing the amount of any such deductions and the amount of milk for which such deduction was computed for each producer.

§ 998.85 Expense of administration. As his pro rata share of the expense of administration of this part, each handler shall pay to the market administrator on or before the 15th day after the end of the month, 5 cents per hundredweight, or such amount not exceeding 5 cents per hundredweight as the Secretary may prescribe, with respect to all (a) receipts of producer milk, mcluding such handlers' own production; (b) other source milk at a fluid milk plant which is classified as Class I milk; and (c) Class I milk disposed of during the month through routes located in the marketing area from a nonfluid milk plant other than a plant defined in

§ 998.86 Termination of obligations. The provisions of this section shall apply to any obligation under this part for

the payment of money.

(a) The obligation of any handler to pay money required to be paid under the terms of this part shall, except as provided in paragraphs (b) and (c) of this section, terminate two years after the last day of the calendar month during which the market administrator receives the handler's utilization report on the milk involved in such obligation unless within such two-year period the market administrator notifies the handler in writing that such money is due and payable. Service of such notice shall be complete upon mailing to the handler's last known address, and it shall contain, but need not be limited to, the following information:

(1) The amount of the obligation: (2) The month(s) during which the milk with respect to which the obligation exists, was received or handled; and

(3) If the obligation is payable to one or more producers or to an association of producers, the name of such producer(s) or association of producers, or if the obligation is payable to the market administrator, the account for which it is to be paid.

(b) If a handler fails or refuses, with respect to any obligation under this part. to make available to the market administrator or his representatives all books and records required by this part to be made available the market administrator may, within the two-year period provided for in paragraph (a) of this section, notify the handler in writing of such failure or refusal. If the market administrator so notifies a handler, the said two-year period with respect to such obligation shall not begin to run until the first day of the calendar month following the month during which all such books and records pertaining to such obligation are made available to the market administrator or his representatives.

(c) Notwithstanding the provisions of paragraphs (a) and (b) of this section. a handler's obligation under this part to pay money shall not be terminated with respect to any transaction involving fraud or willful concealment of a fact, material to the obligation, on the part' of the handler against whom the obli-

gation is sought to be imposed.

(d) Any obligation on the part of the market administrator to pay a handler any money which such handler claims to be due him under the terms of this part shall terminate two years after the end of the calendar month during which the milk involved in the claim was received if an underpayment is claimed, or two years after the end of the calendar month during which the payment (including deduction or set-off by the market administrator) was made by the handler if a refund on such payment is claimed, unless such handler within the applicable period of time, files pursuantto section 8c (15) (A) of the act, a petition claiming such money.

EFFECTIVE TIME, SUSPENSION OR TERMINATION

§ 998.90 Effective time. The provisions of this part or any amendment to this part shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to § 998.101.

§ 998.91 Suspension or termination. The Secretary may suspend or terminate this part or any provisions of this part whenever he finds this part or any provision of this part obstructs or does not tend to effectuate the declared policy of the act. This part shall terminate in any event whenever the provisions of the act authorizing it cease to be in effect.

§ 998.92 Continuing obligations. If. upon the suspension or termination of any or all provisions of this part, there are any obligations thereunder, the final accrual or ascertainment of which requires further acts by any person (including the market administrator) such further acts shall be performed notwithstanding such suspension or termination.

§ 998.93 Liquidation. Upon the suspension or termination of the provisions of this part, except this section, the market administrator, or such liquidating agent as the Secretary may designate, shall, if so directed by the Secretary, liquidate the business of the market administrator's office, dispose of all property in his possession or control, including accounts receivable, and execute and deliver all assignment or other instruments necessary or appropriate to effectuate any such disposition. If a liquidating agent is so designated, all assets, books and records of the market administrator shall be transferred promptly to such liquidating agent. If, upon such liquidation, the funds on hand exceed the amounts required to pay outstanding obligations of the office of the market administrator and to pay necessary expenses of liquidating and distribution. such excess shall be distributed to contributing handlers and producers in an equitable manner.

MISCELLANEOUS PROVISIONS

§ 998.100 Agents The Secretary may, by designation in writing, name any officer or employee of the United State to act as his agent or representative in connection with any of the provisions of this part.

§ 998.101 Separability of provisions. If any provision of this part or its application to any person or circumstances is held invalid the application of such provision and of the remaining provisions of this part, to other persons or circumstances, shall not be affected thereby.

Filed at Washington, D. C., this 7th day of March' 1955.

ROY W LENNARTSON, [SEAL] Deputy Administrator

[F. R. Doc. 55-2032; Filed, Mar. 9, 1955; 8:48 a. m.]

DEPARTMENT OF HEALTH, EDU-CATION, AND WELFARE

Food and Drug Administration [21 CFR Part 19]

CHEESES: PROCESSED CHEESES: CHEESE FOODS; CHEESE SPREADS; AND RELATED FOODS; DEFINITIONS AND STANDARDS OF IDENTITY

NOTICE OF PROPOSAL TO ESTABLISH DEFI-NITION AND STANDARD OF IDENTITY FOR SAMSOF CHEESE

In the matter of establishing a definition and standard of identity for Samsoo cheese:

Notice is hereby given that a petition has been filed by the Denmark Cheese Association, 17 Battery Place, New York, New York, setting forth a proposal to establish a definition and standard of identity for Samsoe cheese. Pursuant to the authority of the Federal Food, Drug, and Cosmetic Act (sec. 401, 52 Stat. 1046, 68 Stat. 54; 21 U.S. C. 341) the Secretary of Health, Education, and Welfare invites all interested persons to present their views in writing regarding the proposal published herein and to submit such comments in quintuplicate prior to the thirtieth day following the publication of this notice in the FEDERAL REGISTER. Written comments should be addressed to the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, Health, Education, and Welfare Building, Washington 25. D. C.

The proposal submitted by the Denmark Cheese Association is as follows:

§ 19.544 Samsoe cheese; identity. (a) Samsoe cheese is the food prepared from milk and other ingredients specified in this section, by the procedure set forth in paragraph (b) of this section, or by another procedure which produces a finished cheese having the same physical and chemical properties as the cheese produced when the procedure set forth in paragraph (b) of this section is used. The shape of the cheese is flat cylindrical. Its weight is approximately 30 pounds (14 kilograms), its diameter is approximately 17 inches (44 centimeters) and its height is approximately 4 inches (10 centimeters) It has a small amount of eye formation of approximately uniform size of about 1/16inch (8 millimeters) It contains not more than 46 percent of moisture, and its solids contain not less than 45 percent of milk fat, as determined by the methods prescribed in § 19.500 (c) milk is not pasteurized, the cheese so made is cured-at'a temperature of not less than 35° F for not less than 60 days. The surface may be covered with plain or colored paraffin or other tightly adhering coating.

(b) Milk, which may be pasteurized or clarified or both, and which may be warmed, is subjected to the action of harmless lactic-acid-producing bacteria. present in such milk or added thereto. Harmless artificial coloring may be added. Sufficient rennet (with or without purified calcium chloride in a quantity not more than 0.02 percent, calculated as anhydrous calcium chloride, of the weight of the milk) is added to set the milk to a semisolid mass. After coagulation the mass is cut into small cubeshaped pieces with sides approximately 3%-inch (1 centimeter) The mass is stirred and heated to about 102° F., and so handled by further stirring, heating, dilution with water, and salting as to promote and regulate the separation of curd and whey. When the desired curd

is obtained, it is transferred to forms permitting drainage of whey. During drainage, the curd is pressed. After drainage, the curd is removed from the forms and is further salted by immersing in a concentrated salt solution for about 3 days. The curd is then cured at a temperature of from 60° to 70° F. for 3 to 5 weeks to obtain the desired eye formation. Further curing is conducted at a lower temperature.

(c) For the purposes of this section, the word "milk" means cow's milk, which may be adjusted by separating part of the fat therefrom or by adding thereto cream or skim milk.

Dated: March 4, 1955.

[SEAL] (S) OVETA CULP HOBBY, Secretary.

[P. R. Doc. 55-2041; Filed, Mar. 9, 1955; 8:51 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Document 29]

RESTORATION ORDER UNDER FEDERAL POWER

March 2, 1955.

1. Pursuant to a determination of July 30, 1952, of the Federal Power Commission, Docket No. DA-110 Arizona, and supplemental determination dated January 24, 1955, and in accordance with authority delegated to me by the Director, Bureau of Land Management, by section 2.5 of Order No. 541, dated April 21, 1954 (19 F R. 2473, 2476), it is ordered as follows:

2. Subject to valid existing rights and the provisions of existing withdrawals. the lands heremafter described, so far as they are withdrawn or reserved for power purposes, are hereby opened to disposition under applicable public land laws as provided below, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U. S. C. 818) as amended, subject to the stipulation that if and when the lands, or any part thereof, are required for power development; and structures or improvements placed thereon which shall be found to interfere with such development, shall be removed or relocated so as to eliminate such interference without expense to the United States, its permittees or licensees.

GILA AND SALT RIVER MERIDIAN

T. 6 S., R. 17 E.,

Sec. 13: Lots 1, 2, 3, 4, 5, 6, 7, 8.

T. 6 S., R. 18 E., Sec. 7: SE¼SE¼,

Sec. 13: SW\\SE\\, S\\SW\\\. Sec. 14: W\\\2. S\\\SE\\\. Sec. 15: NE\\\4. N\\2. S\\\2. Sec. 16: N\\4. N\\2. S\\\4. NE\\4. SE\\4. 17: NE¼, N½NW¼, NW¼SW¼.

NW¼SE¼, Sec. 18: Lots 1, 2, 3, 4, NE¼, E½NW¼, N½

Sec. 19: Lots 1, 2, 3, E½.
Sec. 19: Lots 1, 2, 3, E½.
Sec. 20: N½SE¼, NE¼SW¼,
Sec. 30: Lots 1, 2, S½NE¼, SE¼.

The areas described total 3,709.41 acres of public land.

3. All of the subject lands are reserved m either or both of the following power withdrawals:

(a) Water Power Designation No. 5, approved February 9, 1917.

(b) Power Site Reserve No. 602, created April 4, 1917.

4. These lands extend along Aravaipa Creek in what is commonly referred to as a box canyon. The lands cover the canyon floor which varies in width from a few hundred feet up to 1400 feet. The walls are vertical cliffs 800 to 1000 feet high.

5. The lands described shall be subject to application by the State of Arizona for a period of ninety days from the date of publication of this order in the FED-ERAL REGISTER for rights-of-way for public highways or as a source of material for the construction and maintenance of such highways in accordance with section 24 of the Federal Power Act and subject to the provisions of existing withdrawals and the special stipulation provided in paragraph two (2) of this order.

6. This order shall not otherwise become effective to change the status of such land until 10:30 a.m., m. s. t., on the 91st day after the date of publica-tion. At that time the said lands shall become subject to application, petition, location and selection, subject to valid existing rights, the provisions of existing withdrawals and the terms of this order.

7. Inquiries concerning these lands shall be addressed to Manager, Arizona Land Office, Bureau of Land Management, Room 251, Main Post Office Building, Phoenix, Arizona.

> E. I. ROWLAND, State Supervisor.

[F. R. Doc. 55-2014; Filed, Mar. 9, 1955; 8:45 a. m.]

[Document 30]

ARTZONA

RESTORATION ORDER UNDER FEDERAL POWER ACT

MARCH 4, 1955.

1. Pursuant to determination of the Federal Power Commission, Docket No. DA-102-Arizona, issued November 19, 1951, and in accordance with authority delegated to me by the Director, Bureau of Land Management, by section 2.5 of Order No. 541, dated April 21, 1954 (19 F. R. 2473, 2476), it is ordered as follows:

2. Subject to valid existing rights and the provisions of existing withdrawals, the lands hereinafter described, so far as they are withdrawn or reserved for power purposes, are hereby opened to disposition under applicable public land laws as provided below, subject to the provisions of section 24 of the Federal Power Act of June 10, 1920 (41 Stat. 1075; 16 U.S.C. 818) as amended, and subject to the stipulation that if and when the lands, or any part thereof, are required for power development, any structures or improvements placed thereon which shall be found to interfere with such development, shall be removed or relocated so as to eliminate such interference without expense to the United States, its permittees or licensees.

GILA AND SALT RIVER MERIDIAN

T. 3 N., R. 8 E. (unsurveyed), Sections 26 and 27.

The lands were withdrawn in Water Power Designation No. 8, approved February 9, 1917. Portions of the lands lie within the flow line of Saguaro Lake formed by Stewart Mountain Dam on the Salt River. The principal function of the dam is to store water for irrigation lands in the vicinity of Phoenix, Arizona, some 33 miles to the west.

4. (a) All of the public lands described in this order are included in withdrawal for reclamation purposes under the act of June 17, 1902 (32 Stat. 385: 43 U.S. C. 416) and are therefore not subject to disposal under the public land laws except as that withdrawal is or may be modified to permit disposal.

(b) The SE¼NE¼, E½SW¼NE¼, E½SE¼, E½NW¼SE¼ of unsurveyed section 27 was withdrawn by public Land Order 1050, published in the FEDERAL REGISTER January 11, 1955 (20 F. R. 250), and is not subject to mineral location, entry and patent.

5. The lands described shall be subject to application by the State of Arizona for a period of ninety days from the date of publication of this order in the Federal Register for rights-of-way for public highways or as a source of material for the construction and maintenance of such highways in accordance with section 24 of the Federal Power Act and subject to the provisions of existing withdrawals and the special stipulation provided in paragraph two (2) of this

6. This order shall not otherwise become effective to change the status of

such land until 10:30 a. m., m. s. t., on the 91st day after the date of publication. At that time the said lands shall become subject to application, petition, location and selection, subject to valid existing rights, the provisions of existing withdrawals and the terms of this order.

7. Inquiries concerning these lands shall be addressed to Manager, Arizona Land Office, Bureau of Land Management, Room 251, Main Post Office Building, Phoenix, Arizona.

> E. I. ROWLAND. State Supervisor

[F. R. Doc. 55-2015; Filed, Mar. 9, 1955; 8:45 a. m.]

[Document 31]

ARIZONA

ORDER OPENING LANDS TO MINERAL-LOCATION, ENTRY AND PATENT

March 4, 1955.

- 1. Pursuant to determinations by the Bureau of Reclamation under the act of April 23, 1932 (47 Stat. 136; 43 U.S.C. 154) and in accordance with the authority delegated to me by the Director, Bureau of Land Management, in order No. 541, dated April 21, 1954 (19 F R. 2473), it is ordered as follows:
- 2. Subject to valid existing rights and the provisions of existing withdrawals, the following described lands shall, commencing at 10:30 a.m. on the 91st day after the date of publication of this order, be open to location, entry and patenting under the United States mining laws, subject to the stipulation quoted below, to be executed and acknowledged in favor of the United States by the locators for themselves, their heirs, successors and assigns, and recorded in the county records and in the United States Land Office at Phoenix, Arizona, before any rights attach thereto:

GILA AND SALT RIVER MERIDIAN

T. 3 N., R. 8 E. (unsurveyed)

Section 27: All, excepting that part thereof covered by the lake behind Stewart Mountain Dam at maximum water elevation, and also excepting a strip of land three hundred (300) feet in width ad-joining said lake at maximum water elevation.

There is reserved to the United States, its successors and assigns, the prior right to use any of the lands hereinabove described to construct, operate and maintain dikes, ditches, wasteways and other works necessary for the detention, discharge and control of storm waters or surface waters, to-gether with the prior right to flood and scep the said described lands.

In carrying on the mining and/or milling operations contemplated hereunder Locators will, by means of substantial dikes or other adequate structures, confine all tailings, debris and harmful chemicals in such a manner that the same shall not be carried beyond the herein described lands by storm

waters or otherwise.

There is also reserved to the United States. its successors and assigns the prior right to use any of the lands herein described to construct, operate and maintain dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, and appurtenant irrigation structures, without any

payment made by the United States or its successors for such right, with the agreement on the part of the Locators that if the construction of any or all of such dams, dikes, reservoirs, canals, wasteways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways, or appur-tenant irrigation structures across, over or upon said lands should be made more expensive by reason of the existence of improvements or workings of the Locators thereon, such additional expense is to be estimated by the Secretary of the Interior, whose estimate is to be final and binding upon the parties hereto, and that within thirty days after demand is made upon the Locators for payment of any such sums, the Locators will make payment thereof to the United States or its successors constructing such dams, dikes, reservoirs, canals, waste-ways, laterals, ditches, telephone and telegraph lines, electric transmission lines, roadways or appurtenant irrigation structures across, over or upon said lands. The Locators further agree that the United States, its officers, agents and employees and its successors and assigns shall not be held liable for any damage to the improvements or workings of the locators resulting from the construction, operation and maintenance of any of the works hereinabove enumerated. Nothing contained in this paragraph shall be construed as in any manner limiting other reservations in favor of the Locators.

3. The SE¼NE¼, E½SW¼NE¼, E½SE¼, E½NW¼SE¼, of unsurveyed section 27 was withdrawn by Public Land Order 1050 published January 11, 1955 (20 F R. 250) and is not subject to mineral location, entry and patent.

4. Inquiries concerning these lands shall be addressed to Manager, Arizona Land Office, Bureau of Land Management, Room 251, Main Post Office Building, Phoenix, Arizona.

> E. I. ROWLAND. State Supervisor

[F. R. Doc. 55-2016; Filed, Mar. 9, 1955; 8:46 a. m.]

[Amdt. 1] ALASKA

SMALL TRACT CLASSIFICATION ORDER NO. 19 March 4, 1955.

By virtue of the authority contained in the act of June 1, 1938 (52 Stat. 609 43 U.S. C. 682a) as amended and pursuant to Delegation of Authority contained in section 1.9 (o) Order No. 541 of April 21, 1954, Bureau of Land Management. Small Tract Classification Order No. 19. dated November 18, 1949 is hereby amended as follows:

1. The land description contained in paragraph 1 is amended by deleting Lot 22, Section 22, T. 4 N., R. 2 W., C. R. M. containing 6.48 acres.

2. This amendment shall take effect immediately.

> LOWELL M. PUCKETT, Area Administrator

[F. R. Doc. 55-2017; Filed, Mar. 9, 1955; 8:46 a. m.]

Alaska

NOTICE OF PROPOSED WITHDRAWAL AND RESERVATION OF LANDS

March 4, 1955.

An application, senal number Anchor-

forms of appropriation under the public land laws, including the mining and mineral leasing laws of the lands described below was filed on November 6, 1951, by The Alaska Railroad.

The purposes of the proposed with-drawal: Alaska Railroad station facili-

For a period of 60 days from the date of publication of this notice, persons having cause to object to the proposed withdrawal may present their objections in writing to the Area Administrator, Area 4, Bureau of Land Management, Department of the Interior, at Anchorage, Alaska. In case any objection is filed and the nature of the opposition is such as to warrant it, a public hearing will be held at a convenient time and place, which will be announced, where opponents to the order may state their views and where proponents of the order can explain its purpose.

The determination of the Secretary on the application will be published in the FEDERAL REGISTER either in the form of a public land order or in the form of a notice of determination if the application is rejected. In either case, a separate notice will be sent to each inter-

ested party of record.

The lands involved in the application

In Section 17, T. 19 N., R. 4 W., Seward Meridian, all of that portion of E1/2SW1/4NE1/4 and W½SE¼NE¼ lying between lines 100 feet and 200 feet respectively, southwesterly from and parallel to the center line of the main tract of The Alaska Railroad. tract of land is 100 feet by 1440 feet approximately and extends along the Alaska Railroad from Mileage 185.04 to 185.31 and contains 3.31 acres.

> LOWELL M. PUCKETT, Area Administrator

[F. R. Doc. 55-2018; Filed, Mar. 9, 1955; 8:46 a. m.1

[Area Order 3]

AREA ADMINISTRATIVE OFFICER, AREA III REDELEGATION OF AUTHORITY WITH RESPECT TO DISPOSAL AND TRANSFER OF PERSONAL PROPERTY

Pursuant to the authority contained in section 2 of Order No. 583 of the Director, Bureau of Land Management, the Area Administrative Officer may dispose of and transfer personal property excess to the needs of the Department of the Interior, or donate and execute transfers and deliveries of donable property in accordance with the Federal Property and Administrative Services Act of 1949, as amended, and regulations issued thereunder by the General Services Administration.

> W B. WALLACE, Area Administrator

[F. R. Doc. 55-2021; Filed, Mar. 9, 1955; 8:47 a. m.]

Bureau of Reclamation

BRUNEAU PROJECT, IDAHO

ORDER OF REVOCATION

SEPTEMBER 23, 1954.

Pursuant to the authority delegated age 019316, for the withdrawal from all by Departmental Order No. 2765, of July 30, 1954, I hereby revoke Departmental Order of January 9, 1919, in so far as said order affects the following-described land: *Provided, however* That such revocation shall not affect the withdrawal of any other lands by said order or affect any other orders withdrawing or reserving the land hereinafter described:

Boise Meridian, Idaho

T. 6 S., R. 9 E., Sec. 25, S½SW¼.

The above area aggregates 80 acres.

E. V LINDSETH,
Acting Assistant Commissioner
[Misc. 817248]

I concur. The records of the Bureau of Land Management will be noted ac-

cordingly.

The land is located in Grazing District No. 1, Elmore County, Idaho. The surface slopes gently in a general east-northeasterly direction and the elevation ranges from about 2,975 feet to about 3,050 feet. The soils are mainly fine silt loams, apparently of appreciable depths. As to soils and topography the land is of good arable quality. Partly because of such quality there has been a considerable number of filings under the desert land laws, involving lands in the locale. It is probable that the land is suitable for cultivation if water could be made available.

No application for the land may be allowed under the homestead, desertland, small tract, or any other nonmneral public-land law unless the land has already been classified as valuable or suitable for such type of application, or shall be so classified upon the consideration of an application. Any application that is filed will be considered on its merits. The land will not be subject to occupancy or disposition until it has been classified.

This order shall not otherwise become effective to change the status of the described land until 10:00 a.m. on the 35th day after the date of this order. At that time the said land shall become subject to application, petition, location and selection, subject to valid existing rights, the provisions of existing withdrawals, the requirements of applicable laws, and the 91-day preference-right filing period for veterans and others entitled to preference under the act of September 27, 1944 (58 Stat. 747; 43 U.S. C. 279-284), as amended.

Veterans' preference-right applications under the act of September 27, 1944 (58 Stat. 747; 43 U. S. C. 279-284) as amended, may be filed on or before 10:00 a. m. on the 35th day after the date of this order, and those covering the same land shall be treated as though simultaneously filed at that time. Applications filed under the act after that time and during the succeeding 91 days shall be considered in the order of filing. Applications by the general public under the public-land laws, filed on or before 10:00 a.m. on the 126th day after the date of this order shall be treated asthough simultaneously filed at that time, where the applications are for the same land; otherwise, priority of filing shall govern.

Inquiries regarding the land shall be addressed to the Manager, Land Office, Bureau of Land Management, Boise, Idaho

EDWARD WOOZLEY,
Director,
Bureau of Land Management.

[F. R. Doc. 55-2022; Flied, Mar. 9, 1955; 8:47 a. m.]

MARCH 4, 1955.

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

SALES OF CERTAIN COMMODITIES

MARCH 1955 DOMESTIC AND EXPORT SALES

Pursuant to the policy of Commodity Credit Corporation issued October 12, 1954 (19 F. R. 6669) and subject to the conditions stated therein, the following commodities are available for sale in the quantities stated and on the price basis set forth:

MARCH 1935 EXPORT PRICE LIST

Commodity and approximate quantity available (subject to prior sale)	Export sales list				
Dairy products: Cheddar cheese, cheddars, flats, twins and rindless blocks (standard moisture basis in carloads only), 344,000,000 pounds,	F. a. s. U. S. port of expert, or "in store" ² at location of stocks at f. a. s. price less export freight rate to acreed port of export. U. S. Grade A: 25.5 cents per pound basis port of export. U. S. Grade B: 24.5 cents per pound basis port of export.				
Nonfat dry milk solids! (in carloads only), Spray, 73,000,000 pounds; Roller, 5,000,000 pounds.	Spray process: 11.75 cents per pound basis port of export. Roller process: 10 cents per pound basis port of export. (These prices will be reduced 85 cents per pound when product is available in 50-pound and 160-pound bags.)				
Salted creamery butter 1 (in carloads only), 204,000,000 pounds,	U. S. Grade A: Not less than 41 cents per pound basis port of export. U. S. Grade B: Not less than 39 cents per pound basis port of export.				
9,900,000 pounds	Competitive bid basis in accordance with Announcement LD-7. Offers to be considered each Monday until sold or program is terminated. Any of the above commodities are available through the Livestock and Dairy Division, CSS, USDA, Washington 23, D. C. Written bid basis in accordance with Announcement LD-12. Available Cincinnati CSS Commodity Office.				
Dry whey,1 12,000,000 pounds	Written bld basis in accordance with Announcement LD-12, Available Cincinnati CSS Commodity Office.				
Corn, bulk 1	Price as determined by CCO for grade, class, and quality at point of delivery at time of rale. Available Kancas City, Chicago, and Minneapolis CSS Commodity Offices.				
Rye ¹	Price as determined by CCO. Offerings may also be made on a written competitive bid basis as announced from time to time by the Minneapolis CSS Commodity Office. Sales under P. L. 450 may be made on the basis of a special announcement.				
Oats 1	Price as determined by CCO. Offerings may also be made on a written competitive bid basis as announced from time to time by the Minneapolis, care, and Dallas CSS Commodity Offices. Sales under P. L. 450 may be				
Grain sorghums, bulk !	made on the basis of a special announcement. Price as determined by CCO. Offerings may also be made on a written competitive bid basis as announced from time to time by the Dallas and Portland CSS Commodity Offices. Eales under P. L. 450 may be made on the basis of a special announcement.				
Wheat, bulk ³	Sales made for export pursuant to Announcement GR 251 and 252 at prices announced daily. Available Dallas, Chicago, Kansas City, Minneapolis, and Portland CSS Commodity Offices. Sales also made under GR 212 at market price at time of sale at points of delivery. Sales may be made for export of wheat as flour. Sales under P. L. 489 may be made on terms and conditions of GR 201. Available Dallas,				
Barley 1	Chicago, Minneapolis, and Portland CSS Commodity Offices. Price as determined by CCO. Officings may also be made on a written competitive bid basis as announced from time to time by the Minneapolis, Chicago, Dallas, and Portland CSS Commodity Offices. Sales under P. L. 480 may be made on the basis of a special announcement.				
Pinto beans ¹ (1953 crop, bagged), 65,000 hundredweight.	57.25 per 100 pounds U. S. No. 1 grade, basis I. a. s. port or delivered border, as follows: West Coast ports (CCC's Option) and Mexico border points, Nogales and West; available Pertiand CSS Commodity Office. CCC will not consider offers until after the 2d working day following the issuance of this announcement. U. S. No. 2 grade, 2d cents discount. Sales of cotton will be made only against sales made under the provisions of the Agricultural Tanab Darkburs and Agricultural Accidence.				
Cotton, 1,800,000 bales	Sales of colton will be made only against sales made under the provisions of the Agricultural Trade Development and Assistance Act (P. L. 450, 834 Cong.) as announced by the New Orleans CSS Commodity Office, Jan. 25, 1935 (CCO Announcement NO-C-1), at prices not less than the higher of: (1) The market price as determined by CCO, or (2) 105 percent of the current support price plus reasonable carrying charges. Offerings to be made each Thursday. Catalog showing quantities, qualities, and locations and other pertinent information may be precured from the New Orleans CSS Commodity Office at a nominal fee.				
Cottonseed ell, crude 1 (as available).	Competitive bid basis as announced by the New Orleans CSS Commodity Office. Announced offerings are subject to the terms and conditions of NO-CS-9. Sales under P. L. 450 will be made on terms and conditions of NO-CS-11. Available New Orleans CSS Commodity Office. Competitive bid basis as announced by the New Orleans CSS Commodity				
Cottonseed oil, refined ! (limited quantities as announced).	the oil purchased is to be further processed into a finished product for export.				
Linseed oil, raw 1 (limited quantities as announced).	Sales under P. L. 450 will be made on terms and conditions of NO-CS-11. Available New Orleans CSS Commodity Office. Competitive bid basis as announced by the Cincinnati CSS Commodity Office. Announced offerings are subject to the terms and conditions of CT-OP-i. Available Cincinnati CSS Commodity Office.				

[·]¹ These same lots also are available from the Domestic List announced today. Where no quantity is specified quantity available is indefinite.

² "In store" means at the processor's plant or warehouse but with any prepaid storage and outhandling charges for the benefit of the buyer.

March 1955 Domestic Price List-Continued

List
PRICE
DOMESTIC
1955
MARCH

Commodity and approximate quantity available (subject to prior sale)	Domestle sales price	Commodity and approximate quantity available (subject to prior sale)	Domestic sales list
•	Spray process, U. S. Extra Grado, 17 cents per pound; Roller process U S Extra Grade, 16.26 cents per pound.	Corn-Continued	For other classes, grades, and quality, market differentials will apply. Avail able Chicago, Kansas City, and Minneapolis (SS Commodity Office of the Chicago, Kansas City, and Minneapolis (Market of the Chicago).
pounds; roller 6,000,000 pounds For animal and poultry feed ,	Prices apply "in store" at locations of stocks. 11½ cents per pound delleverd in North Dakota, South Dakota, Nebraska, Konsas, Miscouri, Lowa, Minnesota, Wiscousia, Illinois, Indiana Ohio, and Michigan. 12½ cents per pound delivered in all other States and in the District of Columbia. Sales to be made under Announcement LD-14 and grandless.	Wheat 1	The marker price but not ress than 1.35 percent to applicator 1547 county John Trate, plus; (1) 36 cents por basiled if received by truck or (2) 22 cents por bushel if received by rail or barge. The market price basis in store, but not less than the domestic minimum price. Minimum price, 1054 loan rate for class, grade, quality and location, plus: (1) 38 cents per bushel if received by truck or (2) 32 cents per bushel if
Salted creamory butter 1 (in ear loads only) 264 000 000 pounds	A withble through of the content and Portland OSS Commodity Offices V. S. Grade A and higher; 61 Se cents por pound, New York, New Jersy, Pennsylyand, New England, and chore States bordering the Atlantic Ocean and Gulf of Mexico. All other States 65 cents per pound. U.S. Grade B: 2 cents per pound less than Grade A prices, Prices apply "in store" at location of stocks 4 Available Cinciunati and Portland OSS Commodity.	' (For feed only)	recelved by rail or barge. Examples of minimum price per bushel (ex rail or barge); Konsas Olty, No. 1 Examples of minimum price per bushel (ex rail or barge); Konsas Olty, No. 1 Ex. W. \$2.56; Minneapolis No. 1 D. N. S \$2.86; Ohleago No. 1, R. W. \$2.86. Charliable Ollies, Kansas Olty Chicago Minneapolis and Portland CSS Commodity Ollices. Commodity Ollices. Mineapolis of storage may be sold for feed at the market price. Small
Cheddar cheese, t cheddars, flats, twins and rindless blocks (standard moisture basis in carloads only), 344 000 000 pounds	Offices. Offices. U. S. Grade A and higher: 3634 cents per pound for New York New Jorssy, U. S. Grade A and higher; and other States bredefing the Albinthe and Pennsylvania New England, and other States obselving the Albinthe and Psellio Ocean and Gulf of Moxico. All other States 3544 cents pound U. S. Grade B. I cent per pound less than Grade A prices. All prices an subject to usual adjustment for moisture content. Prices apply In store at joeriton of stocks 1. Available Cinchmait and Portland CSS Commodity.	Barloy bulk 1	(datations, Arkans, Boltware, Florida, Georgio, Kontucky, Louislana, Alabama, Arkans, Alabama, Arkans, Doltware, Florida, Georgio, Kontucky, Louislana, Alabama, Alsasispipi, Row Jersey, North Oriculas Peansylvania South Carollina, Toancesco Virginia, and West Virginia and the domestic minimum price. The market price, in store, but not less than the domestic minimum price, 1854 applicable loan rate for class, grade, quality, and location, plus: (1) 26 cents per bushed if received by truck or (2) 24 cents per bushed if
Dry whey 134,000,000 pounds Dry whoy product 1000,000 pounds. Cottonscod oll 1 crude (as avall able)	Offices. 6 76 cents per pound in store at locations of stocks 1 7 6 cents per pound 'in store' at locations of stocks 2 7 6 cents per pound 'in store' at locations of stocks 3 7 8 cents per pound 'in store' at locations of stocks 3 7 8 cents per pound it offices available 7 8 cents per pound prime Valley basis, f. o b. 7 6 cents per pound prime Valley basis, f. o b. 7 6 cents or tank wagons at producers' mills, subject to premiums or discounts 8 companible to these in Eulidia 3 of the 1934 cent postenaged price support 8 program Price will not be reduced during period ending Aug. 31 1935	(For feed only)	Example of minimum price per bushel (ex rail or barge); Minheapolls No 2 Barley, \$1.63. Available Minneapolls Chicago Dallas and Portland OSS Commodity Offices. Aratlable of corteed, basis in store. Available Chicago and Dallas GSS Commodity Offices. Ababama, Arkansas, Dolaware, Florida, Georgia, Kantucky, Mississipple, Louislana, Maine, Now York, Maryland, North Marshall, Andreas, Maryland, North Marshalle, Maryland, North Chicago, Wast, Virgin, North Chicago, North Chicago, Wast, Virgin, North
Cottonseed oll 1 refined, 200 000 000 pounds	Available New Orleans OSS Commodity Office. Market's price but not less than the minimum crude price with appropriate adjustments for enfining, location, and quality f o b. tank cars or tank vargous at points of storage locations. Price will not be reduced during period without at period during period with the produced during the period of the period with the period of the period with the perio	.70, bulk: ¹ (Unrestricted uso)	Cutolina South Carolina Temessor (Themse may resemble the Market price in store, but not less than the domestic minimum price Minimum price, 1954 applicable loan rate for class, grade, quality, and location, plus; (1) 32 conts per bushed if received by trace, or (2) 26 cents per bushed if
Tung oil (limited quantities as announced) Olive oil edible 6341 drums	olls and Peanta Division, OSS, USDA, Washington St. D. G. Competitive bid basis samy be announced by the Officinated OSS Commodity Office. Amounced offerings will be subject to the terms and conditions of OT-OP-6. Available Cinchmattl OSS Commodity Office. Amounced offerings will be subject to the terms and conditions of Competitive bid basis as amounced by the Portland OSS Commodity Office. Amounced offerings are subject to the terms and conditions of FO-OP-6. Available Portland OSS Commodity Office Managed Deciding College (Applications of FO-OP-6.)	For feed only) ats, bulk 1	It received by rall or barge Example of minimum price per bushel (ex rall or barge); Minneapolis No 2 or botten, \$5.40. Market price for feed only, basis in store. Available Minneapolis Kanasa Oliy Ohicago, Portland, and Dallas GSS Commodity Olicas The market price, in store, but not less than the domestic minimum price. Whitemum refers, 1634 hour nate hasts noint of production for class, grade, and
Linseed oil, raw, 68 000 000 pounds Wool, shorn and pulled grease (including some scoured), 109 000 000 pounds	on the state of th	(For feed only)	quality plus: (i) 21 cents per bushel if received by truck or (2) 18 cents per bushel if received by mil or barge. Examples of minimum price per bushel (ax rail or barge): Chicago, No 3 cats or befter, \$1.05, Minnepolis No. 3 cats or befter, \$1.01. Market price for feed, basis in store. Albama, Arkansas, Delaware, Florida, Georgie, Kentucky, Louisiana, Maryand, Maine Missisalppi, New Jersoy New York, North Carolina Pennsylvania South Carolina and Tennessee Virginia, and West Virginia.
Dry edible beans (bagged)	May 31, 1955. Sales will be made ex warehouse where stored. Available Boston OSS Commodity Office. Prices listed below, on all beans, are at point of production Amount of paid in freight to be added, as applicable. For other grades of all beans adjust by market differentials.	rain sorghums, bulk ¹ 4 400 i bundredweight	Available Unitage and Jains USS Commodity Outces. The market price, basis in store, but not less than the domestic minimum price. Minimum price: 1954 applicable loan rate for class, grade quality, and location plus: (1) & cents per hundredweight if received by truck or (2) 47 cents per hundredweight if received by rail or barge. Example of minimum price per hundredweight (ex nall or barge).
Jarge lima beans (1935 crop) 25,000 hundredweight. Pinto beans 1 (1953 crop), 65,000 hundredweight	\$11.38 pet 100 pounds, for U. S. No. I 58381; o. B. Caultorius pouns of production. Available Portland GSS Commodity Office. \$7.55 per 100 pounds, for U. S. No. 1, f. o. b. points of production, Southern Mahor arte area. For other areas adjust by 1354 support price differentials Available Portland GSS Commodity Office.	laxseed bulk (for crushing onl	No. 2 or better, \$3.22. Available Dallas and Khansas City OSS Commodity Offices On LOL lots, market price adde of sale, basis in store On all other storable lots market price but not less than the 1955 support price On all other storable lots market price but not less than the 1955 support price
Gum rosin (in galvanized metal drums averaging 517 pounds net) 667 000 drums	Offer and acceptance basis, "as is" in the stated quantities and in the designated storage yards, subject to the prices, terms and conditions of Announcement TB-21 and Supplements thereto which will be issued from time to time but not more often they weekly. Available through the American Turpentine Tarmers' A receit than Weekly. Available through the American Turpentine	sy and pasture seeds (bagged	A resuse with De made at a lower price during the Periot ending July 3.1 1505 A vallable Minneapolis and Chicago CSS Commodity Offices. All sales are f. o. b. point of production, plus any paid in freight sas applicable Abis current freight rate at time of csle. Premiums and discounts may be obtained from the Commodity offices for qualities above or below basic
Gum turpentine, bulk in tanks 56 000 barrels (50 gallons each)	Offer and acceptome basis, "is," in the stated quantities and in the designated storage tanks, subject to the prices, terms and conditions of Announcement TB-21 and Supplements thereto which will be issued from time to time but not more often than weekly, Available though the American Turpentine Forman's Association Covariettes Vollaces Gas.	fadino clover seed (certifie	specifications. Specifications. On all seeds accept ladino: Offers will not be accepted for less than warehouse receipt lot or minimum weight carlot as prescribed by railroad carrier's regulation at point of stonge. Aspilable Portland and Kansas City CSS Commodity 835 per 100 pounds. Available Portland and Kansas City CSS Commodity
Corn, bulk ¹ 50,000 000 bushels	Commercial concluding green. The market price, in store, but not less than the domestic minimum price. Minimum price. 1934 lean rate basis point of production for class, grade, and quality plus: (1) 25 cents per bushel it received by truck, or (2) 22 cents per bushel if received by truck, or (2) 22 cents per bushel if received by truck, or (2) 22 cents per bushel if the part of the per bushel is rangles of minimum price per bushel (as rail or bushe). Examples of minimum price per bushel (as rail or bushe); Chicago, No. 3 yellow \$2.03, Minimaspolis, No. 3 yellow \$3.14, Kanesa City, No. 3 yellow \$2.01.	100,000 hundredweight Birdstoot trefoil seed, 1043 hundredweight. Alfalfa seed northern, 47,200 hundredweight.	Offices. \$10 per 100 pounds Available Portland CSS Commodity Office \$35 per 100 pounds Available Portland CSS Commodity Office.
See footnotes at end of tuble.) ble.	_	

-- 1055 Daymana Daya-

MARCH 1955 DOMESTIC PRICE LIST—Continued			
Commodity and approximate quantity available (subject to prior sale)	Domestic sales list		
Hay and pasture seeds (bagged)— Continued Alfalfa seed (certified), Ladak, 2,500 hundredweight; Grumn, 200 hundredweight; Buffalo, 21,000 hundredweight, weight.	\$40 per 100 pounds. Ladak available at Portland and Kancas City; Grid and Buffalo at Portland CSS Commodity Offices.		

Weight.
Tall fescue seed (common),
40,000 hundredweight.
Tall fescue seed (certified),
88,000 hundredweight.

88,000 hundredweight.
Winter cover crop seeds
(bagged).
Crimson clover seed, 2,800
hundredweight.
Harry vetch seed, 264,000 hundredweight.

\$20 per 100 pounds. Available Portland, Kansas City, Dallas, and Chicago CSS Commodity Offices.

\$22 per 100 pounds. Available Portland, Kansas City, Dallas, and Chicago CSS Commodity Offices.

All sales are f. o. b. point of production, plus any paid-in freight as applicable basis current freight rate at time of sale. Prices are for basic specification.

\$18 per 100 pounds. Available Portland CSS Commodity Office.

1953 county support rate, ranging from \$11.65 to \$12.40 plus \$1 per 100 pounds. Available Portland CSS Commodity Office.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S. C. 714b. Interpret or apply sec. 407, 63 Stat. 1055; 7 U. S. C. 1427, sec. 208, 63 Stat. 901)

Issued: March 7, 1955.

WALTER C. BERGER, Acting Executive Vice President, Commodity Credit Corporation.

[F. R. Doc. 55-2045; Filed, Mar. 9, 1955; 8:52 a. m.]

DEPARTMENT OF COMMERCE

Federal Maritime Board

Morocco Algeria Tunisia/North At-LANTIC WESTBOUND FREIGHT CONFER-

NOTICE OF CANCELLATION OF AGREEMENT

Notice is hereby given that the Board by order dated February 25, 1955, approved the cancellation of the following described agreement pursuant to section 15 of the Shipping Act, 1916, as amended,

39 Stat. 733, 46 U.S. C. 814.
Agreement No. 4570, the Morocco Algeria Tunisia/North Atlantic Westbound Freight Conference, which provided for the establishment and maintenance of agreed rates, charges and practices in connection with the transportation of cargo in the trade from Morocco, Algeria and Tunisia to North Atlantic ports of the United States in the Hampton Roads/Portland, Maine, range.

Dated: March 7, 1955.

By order of the Federal Maritime Board.

[SEAL]

A. J. WILLIAMS. Secretary.

[F. R. Doc. 55-2046; Filed, Mar. 9, 1955; 8:52 a. m.)

MEMBER LINES OF PACIFIC COAST AUS-TRALASIAN TARIFF BUREAU ET AL.

NOTICE OF AGREEMENTS FILED FOR APPROVAL

Notice is hereby given that the following described agreements have been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916, as amended; 39 Stat. 733, 46 U.S.C. 814.

(5) Agreement No. 8025, between Wiggin Terminals, Inc., and Luckenbach Steamship Company, Inc., grants Wiggin

(1) Agreement No. 50-12, between the member lines of the Pacific Coast Australasian Tariff Bureau, modifies the basic agreement of that conference (No. 50-1) by removing from the geographical scope thereof the trade from United States and Canadian Pacific Coast ports to ports in Western Australia. Agreement No. 50-1 presently covers the trade either direct or by transhipment from United States and Canadian Pacific Coast ports to ports in Australia (in-cluding Tasmania) and New Zealand and by transhipment to ports in specified South Seas Islands.

(2) Agreement No. 57-52, between the member lines of the Pacific Westbound Conference and the carriers comprising the Kokusai Line joint service (Ilno Kaiun Kaisha, Ltd. and Mitsubishi Kaiun Kaisha, Ltd.), is a new associate membership agreement of that Line and will supersede and cancel associate membership Agreement No. 52-37 between the conference members and the Kokusaı Line joint service (Nissan Kisen Kaisha, Ltd., Toho Kaiun Kaisha, Ltd., Iino Kaiun Kaisha, Ltd., Mitsubishi Kaiun Kaisha, Ltd., Kokusai Kaiun Kaisha, Ltd.) As an associate member, Kokusai Line is obligated to abide by all the rates, rules, regulations and decisions of the conference; has no vote in conference affairs; is permitted to participate in conference contracts with shippers; and is exempt from posting of the usual surety bond.

(3) Agreement No. 7856–C, between the carriers comprising the Ivaran Lines-Far East Service joint service and Pope & Talbot, Inc., and Pacific Argentine Brazil Line, Inc., provides for the can-cellation of approved transhipment Agreement No. 7856, which covers the trade from the Far East to Puerto Rico. with transhipment at designated United States Pacific Coast ports.

(4) Agreement No. 7998, between the carriers comprising the Fern-Ville Far East Lines joint service and Waterman Steamship Corporation, covers the transportation of cargo under through bills of lading from Puerto Rico to the Philippines, with transhipment at New Orleans, La.

Terminals the right to operate a lumber terminal at Castle Island, Boston, Massachusetts, and provides (1) that Wiggin will not operate a lumber terminal at any other location within the Port of Boston without the consent of Luckenbach and (2) that Luckenbach shall not contract or allow any other lumber handling organization to operate on the location provided or in competition with Wiggin at Castle Island Terminal.

(6) Agreement No. 8026, between Kokusai Line (Iino Kaiun Kaisha, Ltd., and Mitsubishi Kaiun Kaisha, Ltd.) and Pope & Talbot, Inc. and Pacific Argentine Brazil Line, Inc., covers the trans-portation of cargo under through bills of lading from Japan, Formosa, Hong Kong, Siam, Indo-China and the Philippines to San Juan, Ponce and Mayaguez, Puerto Rico, with transhipment at specifled U. S. Pacific Coast ports. This agreement will supersede and cancel Agreement No. 7917 between Kokusai Line (Nissan Kisen Kaisha, Ltd., Toho Kaiun Kaisha, Ltd., Iino Kaiun Kaisha, Ltd., Mitsubishi Kalun Kaisha, Ltd., Kokusai Kaiun Kaisha, Ltd.) and Pope & Talbot, Inc. and Pacific Argentine Brazil Line, Inc.

(7) Agreement No. 8027, between Kokusai Line (Iino Kaiun Kaisha, Ltd., and Mitsubishi Kaiun Kaisha, Ltd.) and Alcoa Steamship Company, Inc., covers the transportation of general cargo under through bills of lading from Japan and the Philippines to Puerto Rico, with transhipment at New York, N. Y. This agreement will supersede and cancel Agreement No. 7938 between Kokusai Line (Nissan Kisen Kaisha, Ltd., Toho Kaiun Kaisha, Ltd., Iino Kaiun Kaisha, Ltd., Mitsubishi Kaiun Kaisha, Ltd., Kokusai Kaiun Kaisha, Ltd.) and Alcoa Steamship Company, Inc.

(8) Agreement No. 8028, between Kokusai Line (Iino Kaiun Kaisha, Ltd., and Mitsubishi Kaiun Kaisha, Ltd.) and Alcoa Steamship Company, Inc., covers the transportation of general cargo under through bills of lading from Japan and the Philippines to the Virgin Islands, with transhipment at New York, N. Y. This agreement will supersede and cancel Agreement No. 7939 between Kokusai Line (Nissan Kisen Kaisha, Ltd., Toho Kaiun Kaisha, Ltd., Iino Kalun Kalsha, Ltd., Mitsubishi Kalun Kalsha, Ltd., Kokusai Kalun Kalsha, Ltd.) and Alcoa Steamship Company,

Interested parties may inspect these agreements and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D. C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER, written statements with reference to any of the agreements and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: March 7, 1955.

By order of the Federal Maritime Board.

A. J. WILLIAMS, [SEAL] Secretary.

[P. R. Doc. 55-2047; Filed, Mar. 9, 1955; 8:52 a. m.]

¹ These same lots also are available at export sales prices announced today. Where no quantity is specified, quantity available is indefinite.

2 "In store" means at the processor's plant or warehouse but with any prepaid storage and outhandling charges for the benefit of the buyer.

3 Prices for basic specifications will not be reduced during the period ending June 30, 1955.

CIVIL AERONAUTICS BOARD

[Docket No. SA-302]

ACCIDENT OCCURRING NEAR DEXTER, TOWA NOTICE OF HEARING

In the matter of investigation of accident involving aircraft of United States Registry N 8004, which occurred near Dexter, Iowa, January 19, 1955.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, particularly section 702 of said act, in the above-entitled proceeding that hearing is hereby assigned to be held on Wednesday, March 30, 1955, at 9:30 a. m., local time, in the Robert Treat Hotel, 48-50 Park Place, Newark, New Jersey.

Dated at Washington, D. C., March 7, 1955.

[SEAL]

VAN R. O'BRIEN, Presiding Officer

[F. R. Doc. 55-2049; Filed, Mar. 9, 1955; 8:53 a. m.]

CIVIL SERVICE COMMISSION

CERTAIN POSITIONS IN CONTINENTAL United States, Including Alaska, and FOREIGN COUNTRIES

NOTICE OF INCREASE IN MINIMUM RATES OF PAY

Under the provisions of section 803 of the Classification Act of 1949, as amended (68 Stat. 1106; 5 U. S. C. 1133) pursuant to 5 CFR 25.103, 25.105, the Commission has increased the minimum rate of pay for positions at GS-5 and GS-7 in the series indicated below. The new rate for GS-5 has been set at the sixth step of the grade (\$4,035) and for GS-7 at the fourth step of the grade (\$4,580) This increase will be effective on the first day of the first pay period which begins after March 12, 1955, and applies to these positions throughout the continental United States, including Alaska, and in foreign countries.

All professional Engineering positions in the GS-800 series:

Architect	GS-1040
Physicist	GS-1310
Electronic Scientist	GS-1312
Chemist	GS-1320
Metallurgist	GS-1321
Mathematician	GS-1520
Patent Examiner	GS-1224

United States Civil Serv-ICE COMMISSION, WM. C. HULL,

[SEAL]

Executive Assistant.

[F. R. Doc. 55-2042; Filed, Mar. 9, 1955; 8:51 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-2566, G-4270, G-4092]

Union Gas System, Inc., and Cities SERVICE GAS CO.

NOTICE OF FINDINGS AND ORDER

MARCH 3, 1955.

In the matters of Union Gas System. Inc., Docket Nos. G-2566, G-4270; Cities ary 21, 1955, the Federal Power Commis-

Service Gas Company, Docket No. G-4092.

Notice is hereby given that on February 18, 1955, the Federal Power Commission issued its findings and order adopted February 16, 1955, issuing certificates of public convenience and necessity, and authorizing abandonment of service and removal of facilities in the above-entitled matters.

[SEAL]

LEON FUQUAY, Secretary.

[F. R. Doc. 55-2024; Filed, Mar. 9, 1955; 8: 47 a. m.]

[Docket No. G-3942]

Kansas-Nebraska Natural Gas Co., Inc. NOTICE OF ORDER GRANTING PERMISSION TO AMORTIZE CHARGES ASSOCIATED WITH RE-FUND DEBENTURES

March 3, 1955

Notice is hereby given that on February 18, 1955, the Federal Power Commission issued its order adopted February 16, 1955, granting permission under balance sheet accounts instruction 6-E to amortize charges associated with refunded debentures in the above-entitled matter.

[SEAL]

LEON FUOUAY. Secretary.

[F. R. Doc. 55-2025; Filed, Mar. 9, 1955; 8: 47 a. m.]

[Docket Nos. ID-1103, ID-1175, ID-1244-ID-1251]

G. F FOLEY ET AL.

NOTICE OF ORDER AUTHORIZING APPLICANTS TO HOLD CERTAIN POSITIONS

In the matters of G. F Foley, Docket No. ID-1103; Don B. Potter, Docket No. ID-1175; Anthony C. Vence, Docket No. ID-1243; Charles M. Hagan, Docket No. ID-1244, John Lloyd, Jr., Docket No. ID-1245; Albert M. Newman, Docket No. ID-1246; Edwin D. Scheetz, Jr., Docket No. ID-1247; Robert W Hogg, Docket No. ID-1248; Waldo E. Caven, Docket No. ID-1249 Bayard L. England, Docket No. ID-1250; Margery G. Graham, Docket No. ID-1251.

Notice is hereby given that on February 21, 1955, the Federal Power Commission issued its order adopted February 16, 1955, authorizing applicants to hold certain positions pursuant to section 305 (b) of the Federal Power Act in the above-entitled matters.

[SEAL]

LEON M. FUQUAY. Secretary.

[F. R. Doc. 55-2023; Filed, Mar. 9, 1955; 8:47 a. m.]

[Projects Nos. 708, 1318, 2130]

PACIFIC GAS AND ELECTRIC CO.

NOTICE OF ORDER ISSUING LICENSE (MAJOR) March 3, 1955.

Notice is hereby given that on Febru-

sion issued its order adopted February 16, 1955, issuing license (Major) in the above-entitled matters.

[SEAL]

LEON M. FUQUAY. Secretary.

[F. R. Doc. 55-2027; Filed, Mar. 9, 1956; 8:47 a. m.]

[Project No. 1930]

SOUTHERN CALIFORNIA EDISON CO.

NOTICE OF ORDER FURTHER AMENDING LICENSE (MAJOR)

MARCH 3, 1955.

Notice is hereby given that on February 23, 1955, the Federal Power Commission issued its order adopted February 16, 1955, further amending licenso (Major) in the above-entitled matter.

[SEAL]

LEON M. FUQUAY, Secretary.

[F. R. Doc. 55-2026; Filed, Mar. 9, 1955; 8:47 a. m.]

[Project Nos. 2005, 2067]

OAKDALE IRRIGATION DISTRICT AND SAN JOAQUIN IRRIGATION DISTRICT

NOTICE OF ORDER MODIFYING LICENSES

MARCH 3, 1955.

Notice is hereby given that on February 21, 1955, the Federal Power Com-mission issued its order adopted February 16, 1955, modifying licenses in the above-entitled matters.

[SEAL]

LEON M. FUQUAY, Secretary.

[F. R. Doc. 55-2028; Filed, Mar. 9, 1955; 8:47 a. m.]

HOUSING AND HOME FINANCE **AGENCY**

Public Housing Administration

DEPUTY FIELD OFFICE DIRECTOR, FORT WORTH FIELD OFFICE

DELEGATIONS OF FINAL AUTHORITY WITH RESPECT TO CERTAIN DUTIES AND FUNCTIONS

Section II Delegations of final authority, is amended as follows:

1. Effective October 7, 1954, paragraphs C 4, D 2, 3, 5, and 6; and E 2, 6, and 7 are amended by adding the following official to the officials designated therein:

Deputy Field Office Director, Fort Worth Field Office.

2. Subparagraph 16 is added to paragraph E as follows:

16. Effective October 7, 1954, to execute contracts of sale, removal or demolition, deeds and transfer doouments (other than documents relating to transfers of jurisdiction without reimbursement to other Federal Agencies), to execute lease cancellations and settlements; to execute dedications, licenses, permits, and easements; to execute contracts with brokers, local authorities, or

others for management or disposition; to execute contracts for the services of surveyors and appraisers; to execute contracts for advertisements in connection with the disposition of a project or any part thereof; to consent to the annexation of project property by a political subdivision and to execute all documents in connection with such annexation; and to issue Notices to Proceed under contracts relating to the removal of housing, including the power to acknowledge receipt by the Government of the full purchase price and approve the Performance Bond.

Deputy Field Office Director, Fort Worth Field Office.

- 3. Subparagraph 12 is added to paragraph G as follows:
- 12. Effective October 7, 1954, to approve operating budgets and revisions thereof.

Deputy Field Office Director, Fort Worth Field Office.

Date approved: March 2, 1955.

[SEAL]

CHARLES E. SLUSSER, Commissioner

[F. R. Doc. 55-2029; Filed, Mar. 9, 1955; 8:47 a. m.]

INTERSTATE COMMERCE COMMISSION

[4th Sec. Application 30325]

VARIOUS COMMODITIES FROM POINTS IN TRUNK LINE TERRITORY TO SOUTHERN, CENTRAL AND ILLINOIS TERRITORIES

APPLICATION FOR RELIEF

March 7, 1955.

The Commission is in receipt of the above-entitled and numbered application for relief from the long-and-shorthaul provision of section 4 (1) of the Interstate Commerce Act.

Filed by C. W Boin, Agent, for carriers parties to exhibit A of the application, pursuant to fourth-section order No. 17220.

Commodities involved: Various commodities, carload.

From: Points in trunk-line territory.

To: Points in southern, central and Illinois territories.

Grounds for relief: Competition with rail carriers, and circuitous routes.

Any interested person desiring the Commission to hold a hearing upon such application shall request the Commission in writing so to do within 15 days from the date of this notice. As provided by the general rules of practice of the Commission, Rule 73, persons other than applicants should fairly disclose their interest, and the position they intend to take at the hearing with respect to the application. Otherwise the Commission, in its discretion, may proceed to investigate and determine the matters involved in such application without further or formal hearing. If because of an emergency a grant of temporary relief is found to be necessary before the expiration of the 15-day period, a hearing, upon a request filed within that Commission for reconsideration, except period, may be held subsequently.

Commission for reconsideration, except as hereinafter otherwise provided; and

By the Commission.

[SEAL] HAROLD D. McCoy, Secretary.

[F. R. Doc. 55-2036; Filed, Mar. 9, 1955; 8:50 a. m.]

ORGANIZATION OF DIVISIONS AND BOARDS AND ASSIGNMENT OF WORK, BUSINESS AND FUNCTIONS UNDER THE REORGANIZA-TION EFFECTIVE JULY 1, 1942, AS AMENDED

MARCH 4, 1955.

The organization of divisions and boards and assignment of work, business and functions of the Interstate Commerce Commission, pursuant to section 17 of the Interstate Commerce Act as amended (49 U. S. C. 17) under the reorganization effective July 1, 1942, as amended to become effective March 1, 1955, is restated as set forth below and made a part hereof.

[SEAL] HAROLD D. MCCOY, Secretary.

(References are to the Interstate Commerce Act, as amended, unless otherwise specified.)

1.1 Effective February 15, 1954, except as may be otherwise provided herein, the following organization schedule and assignment of work and functions shall be in force:

DIVISIONS OF THE COMMISSION

- 2.1 There shall be five divisions of the Commission to be known, respectively, as divisions one, two, three, four, and five.
- 2.2 As provided by section 17 of the Interstate Commerce Act, as amended, each division shall have authority to hear and determine, order, certify, or report or otherwise act as to any work, business, or functions assigned or referred to it under the provisions of that section, and with respect thereto shall have all the jurisdiction and powers conferred by law upon the Commission, and be subject to the same duties and obligations.
- 2.3 Each division with regard to any case or matter assigned to it, or any question brought to it under this delegation of duty and authority, may call upon the whole Commission for advice and counsel, or for consideration of any case or question by an additional Commissioner or Commissioners assigned thereto; and the Commission may recall and bring before it as such any case, matter or question so allotted or assigned and may either dispose of such case, matter, or question itself, or may assign or refer the matter to the same or another division.
- 2.4 From such assignment of work there shall be reserved for consideration and disposition by the Commission (1) all investigations on the Commission's own motion heretofore entered upon and hereafter instituted, except as may be otherwise provided, and (2) all applications for rehearing, reargument or other reconsideration and all cases before the

Commission for reconsideration, except as hereinafter otherwise provided; and there shall also be excepted from this assignment of work all cases submitted prior to June 30, 1942, either to the Commission or to a division thereof, or submitted to the Commission and specially referred to a division, the various cases enumerated in any previous order of the Commission as reserved for consideration and disposition by the Commission, and all cases otherwise specially assigned.

2.5 All proceedings of the character in which, by provisions of the Administrative Procedure Act (60 Stat. 237) a hearing is required to be conducted in conformity with section 7, and a decision to be made as provided in section 8 of that act, shall be and are reserved to the Commission for initial decision, and for such purpose of initial decision may be assigned to a division, individual Commissioner, or board, as provided in Section 17 of the Interstate Commerce Act (49 U. S. C. 17) by the general order of the Commission as to assignment of work, business, or functions. The following are excepted from the foregoing reservation: (a) Proceedings required by section 205 of the Interstate Commerce Act (49 U.S. C. 305) to be submitted to joint boards; and (b) specific cases, or classes of cases, as to which the Commission may order exemption from the operation of this general rule. For the purpose of such initial decision, the record in a proceeding so reserved shall be considered as certified to the Commission for initial decision when received by the Secretary of the Commission for filing in the docket. Such certification shall not be construed as relieving the officer from the necessity of submitting such recommended, tentative, or other type of report (consistent with the requirements of the Administrative Procedure Act) as the Commission shall previously have directed him to prepare in the proceeding. In individual proceedings involving rule-making as defined in section 2 (c) of the Administrative Procedure Act, and in determining applications for initial licenses, the Commission, or the division, individual Commissioner, or board, or examiner, to which or whom a particular proceeding may have been assigned under section 17 of the Interstate Commerce Act (49 U. S. C. 17) will, as warranted by the second sentence of sec. 2 (a) of the Administrative Procedure Act (60 Stat. 237) determine (c) whether there shall be a tentative decision by the Commission, or by a division, individual Commissioner, or board, or examiner, to whom the proceeding may be referred or assigned, or (d) whether there shall be a recommended decision by designated responsible officers of the Commission; and (e) in any case the Commission, or the division, Commissioner, or board, may find upon the record that due and timely execution of the functions of the Commission imperatively and unavoidably requires that a tentative or recommended decision be omitted in that case.

2.6 When a Commissioner is transferred from a division he shall continue to serve as a member of such division in lieu of his successor for the purpose of

clearing up accumulated work, which shall be limited to the disposition of cases submitted on oral argument prior thereto, and still pending for decision, cases in which drafts of final reports or orders have been circulated, and other matters requiring official action which are under active consideration at the time of the transfer.

DUTIES AND RESPONSIBILITIES OF THE CHAIRMAN OF THE COMMISSION

- 3.1 The following duties and responsibilities are delegated to the Chairman (or, in his absence, to the Acting Chairman who shall be the available semor Commissioner in point of service) to be exercised in addition to his statutory duties and any other duties that may be assigned or delegated to him:
- 3.2 He shall be the executive head of the Commission.
- 3.3 He shall preside at all sessions of the Commission, and shall see that every vote and official act of the Commission required by law to be recorded is accurately and promptly recorded by the Secretary or the person designated by the Commission for such purpose.
- 3.4 Except regular sessions, which shall be provided for by general regulation of the Commission, he shall call the Commission into special session whenever in his opinion any matter or business of the Commission so requires, but he shall, in any event, call a special session for the consideration of any matter or business upon request of a majority of the members.
- 3.5 He shall exercise general control over the Commission's argument calendar and conference agenda.
- 3.6 Except in instances where the duty is otherwise delegated or provided for, he shall act as correspondent and spokesman for the Commission in all matters where an official expression of the Commission is required.
- 3.7 He shall (a) bring to the attention of any Commissioner, division, or board any delay or failure in the work under his or its supervision, (b) report periodically, not less than once every six months, to the Commission on the state of the Commission's work, and (c) recommend to the Commission ways and means of correcting or preventing avoidable delays in the performance of any work or the disposition of any official matter which he is unable otherwise to-have remedied.
- 3.8 He shall be ex officio Chairman of the Committee on Legislation and Rules and a member of Division One.
- 3.9 He shall be relieved, during his chairmanship, of any regular assignment as a member of a division other than Division One.
- 3.10 In any case in which it appears desirable, he may designate an additional Commissioner or Commissioners to sit with a division.
- 3.11 He may designate a Commissioner to fill a vacancy on any Committee until the Commission otherwise orders.
- 3.12 Pursuant to the general objectives and broad policies, or to specific instructions of the Commission, he shall represent the Commission in supervising, guiding and directing the Managing Di-

rector, the Secretary and the General Counsel in the performance of their duties and shall serve as the channel through which they submit recommendations to the Commission.

NOTICES

ASSIGNMENT OF DUTIES TO DIVISIONS

- 4.1 Work, business, and functions of the Commission are assigned and referred to the respective divisions for action thereon, as follows:
- 4.2 Division one: Records and Investigations Division (Commissioner Alldredge (Chairman) Chairman Mitchell, and Commissioner Clarke)
- (a) Section 20 (1) to (10) inclusive, relating to the reports, records, and accounts of carriers, lessors, and other persons under Part I.
- (b) Section 204 (a) (1) (2) and (4) section 220 (a) except that portion relating to contracts between motor contract carriers and shippers, and section 220 (b) to (f) inclusive; and section 222 (b) (d) and (g), so far as those sections relate to reports, records, and accounts of carriers, brokers, and other persons under Part II.
- (c) Section 313, relating to accounts, records, and reports of carriers and lessors under Part III.
- (d) Section 412, relating to accounts, records, and reports of freight forwarders under Part IV
- (e) Section 1 (21) 5 (3), 6 (10) 10, 15 (11) and (12) 16 (8) to (12) inclusive, 20a (11) and (12) 25 (h) of Part I, section 222 of Part II, sections 316 (b) and 317 of Part IV, sections 417 (b) and 421 of Part IV and the Elkins Act, as amended, so far as relating to discovery and enforcement of penalties for violations of provisions of law.
- (f) Section 13 (3) of Part I and section 406 (f) of Part IV so far as relating to the institution of investigations specified in those paragraphs, on the petition of carriers or freight forwarders.
- (g) Section 20c providing for the recording of equipment trust agreements and other documents relating to lease or conditional sale of railroad equipment.
- (h) Section 204 (c) section 304 (e) and section 403 (f) so far as relating to the investigation of complaints of alleged noncompliance with provisions of Parts II, III, and IV hereinbefore assigned to Division One or requirements established pursuant thereto.
- (i) Section 403 (e) relating to inquiries into management of the business of freight forwarders and others.
- (j) Claims arising under Federal Tort Claims Act, 28 U. S. C. 2671 et seq., except claims covered by Section 2672 of that Act.
- (k) Matters coming from the Bureau of Inquiry and Compliance under Parts I, II, III, and IV, The Elkins Act, and acts supplemental thereto, and the Clayton Antitrust Act, as amended.
- (1) Matters coming from the Managing Director to the Chairman on which the Chairman seeks consultation before submission to the Commission.
- 4.3 Division Two: Rates, Tariffs, and Valuation Division (Commissioners Alldredge (Chairman), Freas, and Winchell)

- (a) Section 4, relating to long-and-short-haul and aggregate-of-intermediate rates, and relief therefrom, when such proceedings have been formally heard, when applications are certified to the Division by the Fourth Section Board, when fourth-section relief arises as a result of an order or requirements of the Commission, or a division thereof, or when applications are to be considered in connection with general rate-increase proceedings.
- (b) Section 5a, relating to agreements between or among carriers.
- (c) Section 6, except paragraphs (11) and (12) relating to schedules of carriers under Part I, sections 217 and 218 relating to tariffs of common carriers and schedules of contract carriers under Part II, section 306 relating to tariffs of common carriers and schedules of contract carriers under Part III, and section 405 relating to tariffs of freight forwarders under Part IV—including, among other matters, the promulgation or prescription of forms, specifications, rules, or regulations to effectuate such provisions of law, as well as applications or petitions involving the construction, interpretation or application of such forms, specifications, rules, or regulations.
- (d) Section 409 relating to contracts between freight forwarders and motor carriers, including authority to institute, conduct, and determine investigations pertaining thereto.
- (e) Section 15 (7) of Part I, sections 216 (g) and 218 (c) of Part II, sections 307 (g) and (i) of Part III, and 406 (e) of Part IV relating to the disposition of applications for suspension of schedules and tariffs or parts thereof, including authority to institute investigations into rates, fares, charges, and practices of carriers under Parts I, II, and III, and freight forwarders under Part IV, as ancillary to a proceeding of investigation and suspension when such matter is certified to the Division by the Suspension Board, when there are petitions or requests for suspension of proposed general increases in rates, fares, or charges for application throughout a rate territory or region, or of wider scope, or when there are involved petitions for suspension of schedules filed in purported compliance with any decision, order, or requirement of the Commission or a Division thereof.
- (f) Section 6 (11) (b) and (12) of the Interstate Commerce Act and section 11 (d) of the Panama Canal Act, 49 U. S. C. 51, relating to the establishment, under the additional authority conferred upon the Commission by the Panama Canal Act of proportional rates to or from ports, and through rail-and-water arrangements in foreign commerce.
- (g) Section 19a, relating to the valuation of the property of carriers.
- (h) Section 20 (11) of Part I and section 219 of Part II, so far as relating to the authorization of released rates and ratings.
- (i) Sections 3 (2), 223, 318, and 414, so far as relating to the prescription of rules governing the delivery of freight and the settlement of rates and charges, and to prevent unjust discrimination.

- (j) Section 22 so far as relating to reduced rates in case of calamitous visitation or disaster.
- (k) Section 220 (a) relating to contract's between motor contract carriers and shippers.
- (1) Section 304 (d) of Part III, relating to relief from the provisions of that part because of competition from carriers engaged in foreign commerce.
- (m) Section 204 (c) section 304 (e) and section 403 (f) so far as relating to the investigation of complaints of alleged noncompliance with provisions of Parts II, III, and IV herembefore assigned to Division Two or requirements established pursuant thereto.
- (n) Standard Time Act of March 19, 1918, as amended, 15 U.S. C. 261-265, inclusive.
- (o) Formal complaints and suspension cases in which the issues relate primarily and predominantly to the interpretation and application of tariffs.
- 4.4 Division Three: Rates, Service, and Safety Division (Commissioners Arpaia (Chairman) Clarke and Freas)
- (a) Civil Aeronautics Act of 1938, approved June 23, 1938, 49 U. S. C. 643, so far as relates to action as members of a joint board, as may be directed by the Chairman of the Commission.
- (b) Section 1 (9) relating to switch connections.
- (c) Section 1 (14) (b) relating to contracts of common carriers by railroad or express companies for the furnishing of protective service against heat or cold.
- (d) Section 1 (10) to (14) (a), inclusive, and section 1 (15) to (17), inclusive, relating to car-service and emergency directions with respect thereto.
- (e) Section 5 (1) relating to the pooling of traffic, service, or gross or net earnings of common carriers subject to the act.
- (f) Section 3 (5) relating to requirement of common use of terminals and compensation therefor.
- (g) Section 6 (11) (a) of the Interstate Commerce Act, and section 11 (d) of the Panama Canal Act, relating to the additional jurisdiction over rail and water traffic conferred upon the Commission by the Panama Canal Act, 49 U. S. C. 51, with respect to physical connections between rail lines and docks; and section 201 (c) Transportation Act, 1920, as amended, 49 U. S. C. 141 (c)
- (h) Section 15 (10) relating to the direction of the routing of unrouted traffic.
- (i) Sections 15 (13) 225, 314, and 415, relating to fixation of reasonable allowances to the owner of property transported for transportation services rendered, and I. & S. No. 11, The Tap Line Case.
- (j) Section 25 (a) to (g) inclusive, as amended, relating to the installment and maintenance of safety devices by carriers by railroad, other than enforcement of penalties.
- (k) Section 1 (21) (other than enforcement of penalties) so far as relating to the compulsory construction of new roads or procurements of additional facilities
- (1) Section 204 (a) (1) (2) (3) and (5) of Part II, so far as relating to the

- establishment of reasonable requirements for the safe transportation of explosives and other dangerous articles, including flammable liquids, flammable solids, oxidizing materials, corrosive liquids, compressed gases, and poisonous substances.
- (m) Section 403 (b), relating to establishment of reasonable requirements with respect to continuous and adequate service by freight forwarders.
- (n) Section 404 (d), relating to agreements between freight forwarders for joint loading of traffic.
- (o) Section 204 (c) and section 403 (f), so far as relating to the investigation of complaints of alleged noncompliance with provisions of Parts II and IV, herembefore assigned to Division Three, or requirements established pursuant thereto.
- (p) Matters coming from the Board of Reference, relating to instructions concerning the informal consideration of unusual matters and cases for which there is no governing precedent.
- (q) Matters coming from the Section of Informal Cases of the Bureau of Rates, Tariffs and Informal Cases.
- (r) Matters arising under the Transportation of Explosives and Dangerous Articles Act, Accident Reports Act, Safety Appliance Act, Hours of Service Act, Locomotive Inspection Act, Medals of Honor Act, Ash Pan Act, Railroad Retirement Act of 1937, Carriers Taxing Act of 1937, Railroad Unemployment Insurance Act, the Railway Labor Act, as respectively amended; the Block Signal Resolution of June 30, 1906, and Sundry Civil Appropriation Act of May 27, 1908; Postal Service Acts, 39 U. S. C. 6, 12, 13, 14 and 15, so far as those acts relate to duties of the Commission.
- 4.5 Divisions Two and Three: Except in special circumstances, alternately, in monthly rotation, commencing with Division Three in January 1954:
- (a) All formal cases not otherwise herein assigned or referred to another division, or reserved to the Commission, arising under Part I, and all formal cases involving rates, fares, or charges arising under Parts II, III, and IV
- 4.6 Division Four. Finance Division (Commissioners Johnson (Chairman), Elliott, and Tuggle)
- o(a) Section 1 (18) to (20), inclusive, and sections 303 (1) 309, 310, 311, and 312, relating to certificates of convenience and necessity under Parts I and III and permits under Part III, and section 410, relating to permits under Part IV, including abandonments of service by freight forwarders under section 410 (i)
- (b) Section 5 (2) to (13), inclusive, (other than enforcement of penalties)-and section 210a (b) of Part II, relating to the consolidation, merger, purchase, lease, operating contracts, and acquisition of control of carriers, and to non-carrier control, including matters of public convenience and necessity under section 207 and consistency with the public interest under section 209 directly related thereto.
- (c) Section 5 (14) to (16) inclusive, relating to common control of railroads and common carriers by water.
- (d) Section 302 (e) and section 303 (b) to (h), inclusive, relating to exemp-

- tions of water carriers from the provisions of Part III.
- (e) Sections 20a, 20b, and 214 (other than the enforcement of penalties) relating to the issuance and approval of securities of carriers under Parts I and II, and to the holding of interlocking positions as director or officer.
- (f) Section 304 (c) relating to classifications of groups of water carriers subject to Part III and rules, regulations, and requirements relating thereto.
- (g) Section 411 (d) and (f) relating to investigation of alleged violations of section 411 (a) (b) and (c).
 (h) Sections 204 (c) 304 (e) and 403
- (h) Sections 204 (c) 304 (e) and 403 (f), so far as relating to the investigation of complaints of alleged noncompliance with provisions of Parts II, III, and IV, hereinbefore assigned to Division Four or requirements established pursuant thereto.
- (i) The Uniform Bankruptcy Act, as amended, 11 U. S. C. relating to the reorganization of corporations subject to the exercise of the regulatory powers of the Commission.
- (i) Matters arising under an act To Amend the Interstate Commerce Act, as amended, and for other purposes, Public Law No. 478 approved April 9, 1948, which adds Section 20b to the Interstate Commerce Act, providing for voluntary alteration or modification of outstanding securities or obligations of railroad financial structures and of the mortgage, indenture, deed of trust, corporate charter, or other instrument pursuant to which any class of its securities shall have been issued or by which any class of its obligations is secured, and Section 3 containing provisions for obtaining review by the Commission prior to confirmation by the courts of plans of reorganization previously approved by the Commission, so as to reflect any changes, facts, or developments which have occurred since the approval of the plan by the Commission which were not provided for in the plan.
- (k) Matters arising under the Reconstruction Finance Corporation Act, as amended, and under section 20 of Title II of the Emergency Relief and Construction Act of 1932, as amended.
- (1) Matters arising under the Clayton Antitrust Act, as amended (other than enforcement of penalties)
- (m) Matters arising under section 22 (b) (9) of the Internal Revenue Code (relating to exclusions from gross income) as amended by the act approved June 29, 1939, Sec. 215 (a) 53 Stat. 875.
- (n) Matters arising under section 204 of the Transportation Act, 1920, 49 U. S. C. 73, as amended.
- 4.7 Division five: Motor Carrier Division (Commissioners Cross (Chairman), Tuggle, and Hutchinson)
- (a) Section 203 (b) relating to partial exemption from the provisions of Part II, including determinations as to the necessity for application of Part II to transportation within a municipality, between contiguous municipalities, or within an adjacent zone, and the determination of the limits of such zones, referred to in section 203 (b) (8) and to casual transportation operations by motor vehicle, referred to in section 203 (b) (9).

(b) Section 204 (a) (1) to (3) inclusive, so far as relates to reasonable requirements with respect to continuous and adequate service and transportation of baggage and express by common carriers, and to qualifications and maximum hours of service of employees and safety of operation and equipment for common, contract, and private carriers, but not including requirements for the same transportation of explosives and other dangerous articles.

(c) Section 204 (a) (4) and section 211 (a) to (c), inclusive, relating to the regulation of brokers (other than their ac-

counts, records, and reports).

(d) Section 204 (a) (4a) relating to certificates of exemption to motor carriers operating solely within a single State.

(e) Section 204 (a) (7) so far as relates to inquiries into the management of the business of motor carriers and brokers and persons controlling, controlled by, or under common control with motor carriers, and requests for information deemed necessary to carry out the provisions of Part II.

(f) Section 204 (b) relating to the establishment of classifications of brokers or of groups of carriers and just and reasonable rules, regulations and require-

ments therefor.

- (g) Sections 206, 207, and 208, relating to certificates of public convenience and necessity, except determination of whether applications should be dismissed at the request of applicants in proceedings which have not involved the taking of testimony at a public hearing unless certified to the Division by the Motor Carrier Board.
- (h) Section 209, relating to permits, except determination of whether applications should be dismissed at the request of applicants in proceedings which have. not involved the taking of testimony at a public hearing unless certified to the Division by the Motor Carrier Board.
- (i) Section 210, relating to dual operations, except determination of whether applications should be dismissed at the request of applicants in proceedings which have not involved the taking of testimony at a public hearing unless certified to the Division by the Motor Carrier Board.

(i) Section 210a (a) relating to applications for temporary authority for service by common or contract carriers by motor vehicle when certified to the Division by the Motor Carrier Board.

(k) Section 211, relating to brokerage licenses, except determination whether applications should be dismissed at the request of applicants in proceedings which have not involved the taking of testimony at a public hearing unless certified to the Division by the Motor Carrier Board.

(1) Section 212 (a) relating to suspension, change, and revocation of certificates, permits, and licenses, except determination of uncontested motor carrier revocation proceedings which have not involved the taking of testimony at

Division by the Motor Carrier Board.

(m) Section 212 (b), relating to transfer of certificates or permits, except determination of applications which have not involved the taking of testimony at a public hearing unless certified to the Division by the Motor Carrier Board.

(n) Section 215, relating to security for the protection of the public.

(o) Section 224, relating to identifica-

tion of motor carriers.

(p) Section 403 (c) and (d) relating to authority to prescribe reasonable rules and regulations governing the filing of surety bonds, policies of insurance, etc., by freight forwarders.

(q) Sections 204 (c) and 403 (f), so far as relating to investigation of complaints of alleged noncompliance with the provisions of Parts II and IV assigned to Division Five or requirements established pursuant thereto.

(r) Any other matters arising under Part II not hereinbefore specially assigned or referred to other divisions.

(s) In connection with the foregoing assignments Division Five is authorized to institute, conduct and determine investigations into motor-carrier practices pertaining to matters covered by such assignments.

COMMITTEES OF THE COMMISSION

- 5.1 There shall be a Committee on Legislation and a Committee on Rules composed of three Commissioners each.
- 5.2 Commission Committees: (a) Legislation. Mitchell (Chair-
- man) Commissioners Freas and Clarke. (b) Rules. (Members to be pointed.)

ASSIGNMENT OF DUTIES TO INDIVIDUAL COMMISSIONERS

- 6.1 The following portions of the work, business, and functions of the Commission are assigned and referred to ındividual Commissioners as herein designated.
- 6.2 (a) Entry of reparation orders responsive to findings authorizing the filing of statements as provided in Rule 100 of the general rules of practice.
- (b) Dismissal of complaints upon requests of complainants.
- (c) Entry vacating or discontinuing orders in proceedings instituted by Division 2 under section 15 (7) 216 (g) 218 (c) 307 (g) 307 (i) and 406 (e) wherein respondents have withdrawn the matter under suspension: Chairman of Division One (Commissioner Alldredge)
- 6.3 Distribution of carrier accounts and spreading of items over periods of time; and prescription of depreciation rates and modification thereof as to individual carriers under sections 20 (4) 220 (c) and 313 (d). Commissioner to whom the Bureau of Accounts, Cost Finding and Valuation reports (Commissioner Winchell)
- 6.4 Applications under section 20a (12) for authority to hold the position of officer or director of more than one corporation: Commissioner to whom the

a public hearing unless certified to the Bureau of Finance reports (Commissioner Johnson)

6.5 Applications and complaints on the special docket: Commissioner to whom the Bureau of Rates, Tariffs & Informal Cases reports (Commissioner Alldredge)..

6.6 The reference of cases involving supposed violations of law under the Interstate Commerce Act, the Elkins Act, or related acts, to the Department of Justice for investigation and possible prosecution: Commissioner to whom the Bureau of Inquiry and Compliance reports (Commissioner Elliott)

6.7 Postponement of the effective date of orders in proceedings which are the subject of suits brought in a court to enjoin, suspend, or set aside the decision, order, or requirement therein: Commissioner to whom the General Counsel reports (Chairman ex officio)

6.8 Uncontested matters a rising under the Boiler Inspection Act, as amended: Commissioner to whom the Bureau of Safety and Service reports

(Commissioner Clarke)

6.9 Uncontested matters under section 25, the Safety Appliance Acts, as amended, the Hours of Service Act, as amended, and section 3 of the Actident Reports Act (including the making of reports of investigations under that section except those in which testimony is taken at a public hearing) Commissioner to whom the Bureau of Safety and Service reports (Commissioner Clarke)

6.10 The making of reports of investigations under section 220 of the act except those in which testimony is taken at a public hearing: Commissioner

Tuggle.

6.11 Uncontested matters relating to the transportation of explosives and other dangerous articles: Commissioner to whom the Bureau of Safety and Service reports (Commissioner Clarke)

6.12 Requests of carriers for extension of time for filing annual reports: Commissioner to whom the Bureau of Transport Economics and Statistics re-

ports (Commissioner Freas)

6.13 (a) Special permissions or other permissible waivers of rules regarding schedules of rates, etc., under sections 6, 217, 218, 306, 405 and 409 (a) missioner to whom the Bureau of Rates, Tariffs and Informal Cases reports (Commissioner Alldredge)

(b) Released rates applications under section 20 (11),

- (c) Ex Parte No. 13, with respect to modifications under section 6 (3) of posting requirements of section 6 (1), and
- (d) Reduced rates authorizations in cases of calamitous visitation under section 22.
- 6.14 Admission, disbarment, and suspension of practitioners before the Commission under Rules 7 to 13, inclusive, of the general rules of practice: Commissioner Arpaia.
- 6.15 Merely procedural matters in any formal case or pending matter, and extensions of time for compliance with or-

ders (except in investigations on the Commission's own motion) in any such case or matter which is not the subject of a suit in court, when the subject matter or particular proceeding has been or is assigned or referred to the division: Provided, That if the proceeding has been assigned to a Commissioner for administrative handling or preparation of report, such Commissioner shall act on such procedural matters (including extensions of time for compliance with orand if the subject matter or particular proceeding has not been assigned or referred to a division or to a Commissioner, the chairman of Division One may act on such matters: Chairman of the respective divisions.

6.16 In each of the foregoing delegations and assignments to an individual Commissioner, in event of the absence or disability of such individual Commissioner, the senior member of the division which has jurisdiction of the subject matter or proceeding who is present shall act instead of the Commissioner above designated. In the event of the absence or disability of a Commissioner to whom a proceeding not referred to a division has been assigned for administrative handling or preparation of report, procedural matters in connection with such proceeding may be acted upon by the Chairman of the Commission.

6.17 In respect of all such matters, petitions for reconsideration or for rehearing of any order or decision of an individual Commissioner as herein authorized shall be initially passed upon by the division to which the general subject is referred, and if the general subject has not been referred to a division, then by the Commission.

6.18 All such petitions shall be governed by the general rules of practice of the Commission.

ASSIGNMENTS TO BOARDS

7.1 The following portions of the work, business, and functions of the Commission are assigned to Boards of employees. Such portions relate to proceedings or classes of proceedings that do not involve issues of general transportation importance. The right to apply to the Commission for rehearing, reargument or reconsideration of a decision, order or requirement of an appellate division upon a petition filed by a party to the original order, action or requirement of any such board is restricted, under the authority granted by section 17 (6) of the Interstate Commerce Act as herein provided.

7.2 Fourth Section Board. Section Four, relating to long-and-short-haul and aggregate-of-intermediate rates, and relief therefrom, except proceedings made the subject of formal hearing, matters prompted by an order or requirement of the Commission or a division thereof, or matters arising from general increase proceedings. The Board may certify to Division Two any matter which, in its judgment, should

be passed on by that division or the Commission.

7.3 Suspension Board: Section 15 (7) of Part I, sections 216 (g) and 218 (c) of Part II, sections 307 (g) and (i) of Part III and 406 (e) of Part IV relating to the initial disposition of petitions or requests for suspension of schedules and tariffs, or parts thereof, including authority to institute investigations into rates, fares, charges, and practices of carriers under Parts I, II, III, and freight forwarders under Part IV as ancillary to the suspension of any tariff or schedule, including also the power to enter orders discontinuing investigation and suspension proceedings, when, prior to hearing, the suspended schedules have been withdrawn and cancelled pursuant to special permission authority. This delegation of authority shall not include (1) petitions or requests relating to tariffs or schedules filed in purported compliance with any decision or order of the Commission or a division thereof. (2) petitions or requests for suspension of proposed general increases in rates. fares, or charges for application throughout a rate territory or region, or of wider scope, nor (3) any action in connection with suspensions to be taken during or after formal hearings or investigations. The Board may certify any question or matter which, in its judgment, should be acted upon by Division 2 or, upon the recommendation of Division 2, by the Commission.

7.4 Motor Carrier Board: (a) In applications under sections 206, 207, 208, 209, 210, and 211, which have not involved the taking of testimony at a public hearing, determination of whether applications should be dismissed at the request of applicants.

(b) Section 210a (a) relating to applications for temporary authority for service by common or contract carriers by motor vehicle.

(c) Determination of uncontested motor carrier revocation proceedings under section 212 (a) which have not involved the taking of testimony at a public hearing.

(d) Determination of applications under section 212 (b), relating to transfer of certificates or permits, which have not involved the taking of testimony at a public hearing.

(e) Any matter referred to the board which is assigned for the taking of testimony at a public hearing shall be carried to a conclusion in accordance with the established practices and assignment of work of the Commission.

(f) The board may certify to Division Five any matter which in its judgment should be passed on by that Division or the Commission.

REHEARINGS AND FURTHER PROCEEDINGS

8.1 For the proper and more convenient dispatch of business, and to the ends of justice, the following regulations of the conduct of proceedings are adopted (in addition to those governing the parties, as set out in the rules of

practice) in respect of rehearings, reconsiderations, further hearings, and supplementary proceedings, as the result of the filing of petitions by parties to the decisions, orders, or requirements of divisions of the Commission, individual Commissioner, Board of Suspension, Fourth Section Board or Motor Carrier Board.

8.2 Except in matters assigned to the Motor Carrier Board, and further excepting matters relating to long-andshort-haul and aggregate-of-intermediate rates, and relief therefrom, when such matters have not been subject to formal hearing; and further excepting matters relating to the disposition of applications for suspension of schedules and tariffs or parts thereof, as more especially provided in a succeeding paragraph, any such petition (and any supporting or opposing documents) shall be considered by the appropriate division as constituted at the time the petition is processed and circulated for action: if the division grants the same, the petition will stand as granted by the division and denied by the Commission, and further proceedings will be before the division and under its direction. Any further decision, order or requirement of the division shall be subject to petition for rehearing or reconsideration as provided in the act. If the division does not grant the petition, it will be considered by the Commission, which in its discretion will determine if sufficient reason for granting a rehearing or taking any other action has been made to

8.3 Division Two is hereby designated as an appellate division to which applications or petitions for reconsideration or review of any order, action or requirement of the Board of Suspension or the Fourth Section Board shall be assigned or referred for disposition and the decisions or orders of the appellate division shall be administratively final and not subject to review by the Commission.

8.4 Division Five is hereby designated as an appellate division to which applications or petitions for reconsideration or review of any order, action, or requirement of the Motor Carrier Board shall be assigned or referred for disposition and the decisions or orders of the appellate division shall be administratively final and not subject to review by the Commission.

8.5 Announcements of the staying or postponement of decisions, orders, or requirements of divisions, individual Commissioners, or boards when petitions for rehearing, reargument, or reconsideration are filed before such decisions, orders, or requirements have become effective, will be made by the Secretary or under his direction.

BUREAUS AND OFFICES OF THE COMMISSION

9.1 The Bureaus and Offices of the Commission shall report as follows, except with respect to matters within the jurisdiction of the Managing Director:

_		Bureaus or offices of the Commission	Headed by—	Reports to the Commission or appropriate division through—
	9.2	Office of the Managing Director	Managing Director Budget Officer.	Chairman ex officio.
	9.3	Office of the Managing Director. (a) Budget and Fiscal. (b) Personnel. (c) Stenography. (d) Supplies and Publications. Office of the Secretary. (a) Dockets. (b) Indices—Annotations. (c) Library. (d) Mails and Files. Office of the General Counsel. Accounts, cost finding and valuation. (a) Administrative.	Chief of Section. Purchasing Agent. Secretary	Chairman ex officio.
	•	(b) Indices—Annotations. (c) Library. (d) Mails and Files.	Chief of Section. Librarian. Chief of Section.	
	9.4 9.5	(b) Accounting	Chief Accountant	Chairman ex officio. Commissioner Winchell.
•		(e) Cost Finding (d) Engineering (e) Field Service (f) Land	Head Valuation Engineer. Chief of Field Service.	
	9.6	(f) Land (g) Valuation Order No. 3. Finance (a) Convenience and Necessity and Interlock-	Head Land Appraiser. Head Auditor, Property Changes. Director	Commissioner Johnson.
	9.7	ing Directorates.	Ohiof of Coations	Commissioner Arpaia. Chairman of Division.
	9.8	(a) Matters pending before divisions. (b) Examiners Reviewing. Inquiry and compilance. (a) Motor Carrier Enforcement.	Chief of Section. Director Assistant Director and Chief	Chairman of Division. Commonder Elliott.
	•••			Commonder Emote.
	9.9	(b) Rail, Water and Forwarder Enforcement	Assistant Director. Assistant to Director.	.Commander Cross.
		(d) Insurance (d) Insurance (s) Complaints (f) Safety (g) Motor Carrier Board	Chief of Section. Chief of Section. Chief of Section. Chief of Section. Charman of Board.	
,	9.10	(n) Fried Organization. (i) 14 Districts Rates, tariffs and informal cases. (a) Administrative. (b) Rail Tariffs (including water, pipe line, and express tariffs). (c) Motor Tariffs (including freight forwarder tariffs and motor carrier-freight forwarder carrier-mark under central (60)	Assistant Director. District Director. Director. Assistant Director. Assistant Director and Chief	Commissioner Alldredge.
		express tarills). (c) Motor Tariffs (including freight forwarder tariffs and motor carrier-freight forwarder agreements under section 409). (d) Informal Cases	of Section Assistant Director and Chief of Section. Assistant Director and Chief	1
		(e) Suspension Board(f) Fourth Section Board	of Section. Chairman of Board. Chairman of Board.	
	9.11	(a) Car Service. (b) Locomotive Inspection	Assistant Director. Assistant Director of Bureau	Commissioner Clarke.
	0.12	(c) Railroad Safety(d) Explosives Branch Transport economics and statistics(a) Analysis, Research and Editorial Review(b) Administrative(c) Annual Reports	Inspection. Assistant Director. Chief of Branch. Director. Director. Assistant to Director. Chief of Section.	Commissioner Frens.
!	9.13	(e) Railroad Safety. (d) Explosives Branch Transport economics and statistics (a) Analysis, Research and Editorial Review (b) Administrative (c) Annual Reports (d) Operating Returns (e) Accident Statistics (f) Mechanical Tabulations Water carriers and freight forwarders (a) Section 5a Applications (b) Operating Authorities.	Chief of Section. Ohief of Section. Ohief of Section. Director.	Commissioner Tugglo.

[F. R. Doc. 55-1995; Filed, Mar. 9, 1955; 8:45 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3345]

INTERSTATE POWER CO.

NOTICE OF FILING REGARDING PROPOSED CHARTER AMENDMENT AND SOLICITATION OF PROXIES IN RESPECT THEREOF

MARCH 4, 1955.

Notice is hereby given that Interstate Power Company ("Interstate") a registered holding company, has made a filing with this Commission pursuant to the Public Utility Holding Company Act of 1935 ("act"), the filing designating section 6 (a) (2) of the act as being applicable to the proposed transactions which are summarized as follows:

Interstate is proposing to solicit proxies from its common stockholders for the election of directors and to amend its corporate charter. The solicitation will be done by Interstate's officers and employees assisted by banks, brokerage houses and other custodians, Interstate undertaking to reimburse these banks, brokerage houses and other custodians for out-of-pocket expenses.

The amendment to Interstate's charter for which proxies are being solicited, generally speaking, covers the following matters: (i) Whenever the right to elect directors shall have accrued to the holders of the Preferred Stock of Interstate, a special meeting of stockholders

to elect directors shall be held not less than 60 days, nor more than 90 days, from the date the right accrued; (ii) if at such special meeting a majority of the Preferred Stock is not represented, the quorum requirement for the subsequent special meeting is reduced from a majority to 35 percent of the outstanding Preferred Stock; (iii) the refunding of unsecured debt without stockholder approval must be with debt with a longer maturity or maturities than the indebtedness refunded; (iv) the prohibition, without the consent of a majority of the Preferred Stock outstanding, of the issuance of additional shares of preferred stock ranking on a parity with the outstanding preferred stock unless certain earnings and asset tests are satisfied; and (v) a limitation on dividends payable on, or acquisition of, junior stock if such action would reduce the junior stock equity to an amount less than the amount payable on involuntary liquidation to the Preferred Stock outstanding and all stock ranking prior to or on a parity with the Preferred Stock. It is stated in the filing that these proposed amendments conform to, and are for the purpose of satisfying, the requirements of the Commission's order dated November 16, 1954 adopted at the time Interstate issued its presently outstanding 4.36 percent Preferred Stock.

It is stated that no State or Federal regulatory authority other than this Commission has jurisdiction over the

proposed transactions.

Interstate represents that upon receipt of an affirmative vote of its common stockholders in respect of these charter amendments, these amendments will be effected.

The filing requests that the Commission's order herein become effective

forthwith upon issuance.

Notice is further given that any interested person may, not later than March 21, 1955, at 5:30 p. m., e. s. t., request the Commission in writing that a hearing be held on such matter, stating the reasons for such request, the nature of his interest and the issues of fact or law, if any, raised by such filing which he proposes to controvert, or he may request that he be notified if the Commission should order a hearing thereon. Any request should bear the caption of this Notice and should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D. C. At any time after March 21, 1955, said declaration, as filed or as hereafter amended, may be permitted to become effective, as provided in Rule U-23 of the general rules and regulations promulgated under the act, or the Commission may exempt such transactions, as provided in Rules U-20 (a) and U-100 thereof.

By the Commission.

[SEAL] ORVAL L. DUHOIS, Secretary.

·[F. R. Doc. 55-2030; Filed, Mar. 9, 1955; 8:48 a. m.]